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STRATEGY IMPLEMENTATION IN SAUDI ARABIAN ISLAMIC AND CONVENTIONAL BANKS: A COMPARATIVE ANALYSIS OF STRATEGIC CASES

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requirements for the degree of Doctor of Philosophy**

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STRATEGY IMPLEMENTATION IN SAUDI ARABIAN ISLAMIC AND CONVENTIONAL BANKS: A COMPARATIVE ANALYSIS OF STRATEGIC CASES

Abstract

One of the most important capabilities that an organisation can develop is an effective strategy implementation process, which enables that firm to compete in a given market. Within the framework of strategy implementation, this study focuses in a comparative manner on the implementation processes for strategic management within conventional and Islamic banks in Saudi Arabia. In this thesis, a particular strategy implementation framework is adopted from Okumus (2001 and 2003). This framework offers in a systematic form an explicit explanation of the entire strategy implementation process, therefore providing a comprehensive framework through an integrated systematic understanding.

An extensive review of the strategy implementation literature reveals fifteen factors that can influence the strategy implementation process and its outcomes, with these factors taking roles in enhancing the process and resulting in successful implementation outcomes. These factors are organised into four categories or groups: (i) organisational groups; (ii) project groups; (iii) process groups, and (iv) outcomes, each of which contains sub-factors to make them measurable.

In operationalising the research, an inductive research approach has been adopted for this study; the data was collected via semi-structured interviews followed by a questionnaire survey used as a support tool. The whole sampled included two Saudi Arabian Islamic and two Saudi Arabian conventional banks as case studies. This study employs face-to-face semi-structured interviews with each of the selected bank's decision-makers as its primary tool for data collection. The elite interview sample consists of in total eight top managers belonging to four banks: two Islamic and two conventional banks. Each bank has its recent strategic case implementations analysed through the primary data collected. The sample of the interview schedule consists of the top management who were involved in the strategic decision of two conventional and two Islamic banks in Riyadh, Saudi Arabia. The primary criteria of choosing the sample were that those managers should have a great influence and experience of the strategic decision as well as the ability of declaring the required information. In relation to the questionnaires, the sample included Middle management levels who are only involved in the strategic cases being implemented and studied. Consequently, 260 questionnaires were distributed among the banks; 120 were returned as complete, to be used in the analysis. The response rate, hence, is approximately 46%.

The results show that there are clear trends in how the Saudi Arabian banks' approach in their strategy implementation, common factors influencing the strategy implementation process and its outcomes, and various considerations regarding the role of religion in both Islamic and conventional types of banks.

The subsequent statistical and econometric analysis of the questionnaire data indicates that factors from three of the main groups significantly influence strategic decision outcomes, thereby determining successful strategy implementation. These influential factors are as follows: (i) process and personnel factors, including involvement and communication; (ii) project factors such as time and the priority of the decision; (iii) organisational factors, including top management support, religion, and organisational structure. Further, it is also revealed that in each case the correlation coefficients are positive between independent factors and the outcomes indicating the presence of positive correlation between the outcome and the process factors.

The findings of this study contribute to the literature on strategic implementation management by providing a critical and empirical analysis of the sampled Islamic and conventional banks in Saudi Arabia. The findings may in addition prove useful to the leadership of those banks in their attempts to understand the interrelationship between the process and the outcomes of their strategy implementation decisions, by drawing out both tangible and intangible results of strategy decisions.

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Declaration

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DEDICATION

This work is dedicated to my beloved parent, Ghazi Al-kandi, and Kareema Bin-Mahfooz.

My faithful friend Ibrahim Alothamine who shares this dream with me.

Chapter One: INTRODUCTION

1.1 ADDRESSING THE RESEARCH BACKGROUND AND PROBLEM

“A firm is said to have a sustained competitive advantage when it is implementing a value creating strategy that is not simultaneously being implemented by any current or potential competitors, and when these other firms are unable to duplicate the benefits of this strategy” (Barney, 1991:102). In a competitive marketplace, an attempt to gain a sustained competitive advantage means a firm must be armed with critical capabilities to enable it to compete in that particular market (O'Regan and Ghobadian, 2002). The unique and stronger capabilities that a firm has, the more likely it is that its competitive advantage is sustainable. Firms' capabilities can be various, deriving from diverse sources inside or outside the organisation, which allow a firm to adopt effective strategic implementations. Strategic management scholars have sought extensively to understand why some firms are more profitable than others, and their evidence shows that firms with planned strategies implemented achieve better performances than those that do not. Although some form of planning is a prerequisite for success, Charan & Colvin (1999) found that 70% of strategies failed, with (Kiechel, 1982, 1984); (Gray, 1986); (Nutt, 1999); (Kaplan & Norton, 2001); (Sirkin *et al.*, 2005) finding an estimated rate of failure between 50% and 90%. These researchers find that strategic planning often fails due to problems associated with the implementation stage, and not with the strategic content decided upon when forming or planning a strategy.

Recent studies in the strategic management field indicate that there is a lack of knowledge regarding strategy implementation; hence it is essential to carry out further research into this area (Miller *et al.*, 2004); (Hickson *et al.*, 2003); (Aaltonen & Ikavalko, 2002); (Okumus, 2001); (Miller, 1997); (Judge & Stahi, 1995); (Kargar & Blumenthal, 1994); (Alexander, 1985). Noble (1999, 132) states that ‘there is a significant need for detailed and comprehensive conceptual models related to strategy implementation’. This finding is

supported by Rajagopalan *et al.* (1997), who state that research into strategic decision-making has often been divided into two categories: content research and process research. Content research deals with issues of strategic content such as portfolio management, diversification, mergers, and the alignment of firms' strategies with characteristics of their environments. Process research, on the other hand, deals with the processes by which a strategic decision is made and implemented, and the factors that affect it. While the main body of research over the last two decades has focused on content issues, research into process issues has received less attention (Rajagopalan *et al.*, 1997). It should at this point be noted how Bourgeois and Brodwin (1984) state that the implementation process is not just an activity following the formulation of a decision, but it is also an activity that in itself determines the success of the whole process of strategic decision making.

1.2 AN INTRODUCTION TO SAUDI ARABIAN BANKING SYSTEM

The Saudi Arabian Monetary Agency, which acts as the country's central bank reports that the Saudi banking sector consists of 29 banks, of which 19 are local banks and 10 are foreign banks (SAMA2010 G). The banks in the Saudi Arabian financial system are classified into four types. Accordingly, Saudi Arabian financial system has six commercial, seven investment, four specialist, and four Islamic banks. While commercial banks are considered as the main banks in Saudi Arabia, investment banks are those, which allow the investors to invest their money locally. In addition, specialist banks are those, which operate in the field of industry, agriculture and housing investment. Finally, Islamic banks are defined as banks which apply Islamic rules, regulations, and even environment to their products and services which are different from other bank types that only operate Islamic windows (Al-Ammary, 2008). Islamic window has been defined as "a window within a conventional bank via which customers can conduct business utilizing only *Shari'ah* compatible instruments" (Sole, J 2007: 16). The Conventional banks have considered Islamic windows in offering Islamic financial products in responding to the bank's desire to serve the growing population of Muslim around the globe as well as attracting the growing number of international investors who are interesting in Islamic financial products and services (Sole, J 2007). Moreover, Saudi Arabia as we mentioned before, is considered as Muslim hub therefore Saudi banks are forced by social actors including Muslim scholar to launch what is called Islamic windows. For instant, the Islamic bank (IB2) in our sample started in 1975 as standard commercial bank, then the bank began to explore the potential of the Islamic banking market by launching

Islamic windows and recently converted to full Islamic bank with all its operations, management and even its environment. Sole, (2007) explained that as the activities of the Islamic windows increased, the bank may fully segregating the window into a separate subsidiary which required careful ascertain of the profits of their Islamic lines which could be overstated.

It should be noted that commercial banks are considered as the main banks in Saudi Arabia which operates in an entirely same way as any other conventional banks in the world. However, they also operate Islamic windows through which they provide Islamic financial services.

As for Islamic banks, Islamic banking emerged in mid-1970s with the establishment of Dubai Islamic Bank (DIB) in the United Arab Emirates in 1975 as a commercial Islamic bank, which is followed by the establishment of the international Islamic Development Bank (IDB) in Jeddah, Saudi Arabia in 1974.

Islamic banking is distinguished from conventional banking due to the prohibition of interest and gambling and moderating uncertainty and speculation. Thus, Islamic religious normative world through *Shari'ah* law provides an alternative financing proposition through the emergence of Islamic banking and finance. In addition, Islamic banks are expected to have *Shari'ah* boards, which govern the *Shari'ah* compliancy of operations and transactions. Also it is common practice for Islamic banks to appoint their own board of Shariah scholars which is in some countries such as Malaysia restrict the possibility of Shariah scholars sitting in several boards (Sole, 2007). Islamic windows, namely conventional banks, which have Islamic banking operations also, are expected to have *Shari'ah* boards too.

Since internationalisation of Islamic banking in 1990s, its growth has been double digit (Iqbal and Molyneux, 2006). Accordingly, Saudi Arabia rank seconding the world by its total *Shari'ah* -compliant assets of \$257,054 in 2014 (The Banker, 2014).

It should be noted that while Saudi Arabia remains an important tipping point for the development of Islamic finance locally and globally in terms of source of liquidity and operations, the attitude of the regulatory environment has been not differentiating between Islamic and conventional banks. This attitude has been the dominant strategy in different levels of bureaucracy in the country, which also includes SAMA, the central bank of Saudi Arabia, as well as Ministry of Finance. This can also be explained through various interest

groups and their strategic positioning, which is discussed later in the thesis. However, the differences between Islamic bank and conventional banks in terms of operation and religious practices are noticed in the literature. Abdus Samad (2004). States that there are four principles that make the Islamic banking different and unique from conventional banking; (1) All the bank's transactions must be interest free, (2) Speculation (Gharar) in any transactions are prohibited, (3) The bank has to implement the Zakah, the compulsory Islamic tax, (4) In Islamic law illegal goods and services either consumed or produced are prohibited , therefore no involvement from the bank in such practices. The min distinctive feature of the Islamic banking is that creation of dept in any transaction or activities is prohibited through direct lending and borrowing of money (Abdul Wahab, A.O. et al 2014).

1.3 RESEARCH AIMS, OBJECTIVES, AND QUESTIONS

This thesis aims to explore and examine the implementation stage of strategic management, in a comparative manner, between conventional and Islamic banks in Saudi Arabia. In other words, this thesis aims to explore the implementation process of strategic decisions, and to examine them in relation to the outcomes of strategic decisions within Islamic and conventional banks in Saudi Arabia.

To fulfil this aim, the following objectives were developed:

- To investigate the strategy implementation approach within banks in Saudi Arabia.
- To identify the factors influencing the implementation process and the outcomes of it within these banks.
- To explore the role and the impact of the religious factor on the implementation process.
- To find out the differences between Islamic and conventional banks in Saudi Arabia, using a comparative method.
- To find out whether the factors discovered are different from those in the existing studies.

Based on the aims and objectives set out above, this research aims to address the following questions:

- What are the approaches to strategy implementation in the Saudi banking sector?
- What are the factors influencing the strategy implementation process and its outcomes in the Saudi banking sector?
- What are the role and the impact of the religious factor on the implementation process?
- What are the main differences between Islamic and conventional banks in processing and approaching strategy implementation?

1.4 RATIONALE AND MOTIVATION FOR THE STUDY

The motivation behind this thesis is that most of the previous studies have focused on the first stage of the strategic decision-making process, while there is a lack of literature concerning the implementation process. Most of the studies on strategic management have been conducted with cases from the USA and the UK. Knowing how strategy implementation is approached, and the process of strategies, in less developed countries and in the Arab world provides new insight into strategic management. As most of the previous studies have been conducted in the USA and the UK, it can be investigated whether the nature of the implementation process within banks in Saudi Arabia might differ from that in organisations operating in Anglo-Saxon countries. In addition, the factors that might influence the process and outcomes of the decisions may be different from those found in Anglo-Saxon countries.

Due to the scarcity of available literature related to the strategy implementation process, this research chooses to focus on these processes' content, namely the implementation phase content, to provide new insights into strategic management. The purpose of this research, hence, is to fill the existing gap in the literature by following a recent trend in strategy studies, analysing the implementation stage of strategic management decisions and the factors influencing it. Another important contribution of this thesis' study is also that it is the first study to examine strategy implementation in the case of Islamic banks, which make up a large part of the banking sector in Saudi Arabia.

A number of the existing studies have methodological limitations, such as using only a qualitative method, based on the belief that the studied strategies issues are rare and mainly top management concerns. Other researchers, on the other hand, believe that this is also a lower management issue. Therefore, a comprehensive study is needed, using other methodological techniques in order to test, on empirical grounds, the management level of the strategy implementation issue.

Fields such as sociology and economics have paid much attention to religious organisations, but their contributions within the area of strategic management decisions still require investigation. Thus, researchers of strategic management are urged to elaborate the religious determinants on industrial structure and directly on strategic decisions by Miller (2002). Following this, the conceptual model of Islamic banking has received more attention in the past decade. For instead, look at the market growth in the Islamic banks in Saudi Arabia (Appendix 4). Therefore, researchers from different fields have been urged to study the phenomenon of Islamic banks and the social, cultural, and particularly economic issues surrounding them. Part of the necessary research is to conduct a comparative study between conventional and Islamic banks, to identify whether there are any significant cultural differences in their implementation of strategic management. This particular motivation is driven by the central motivation behind this thesis, that there is minimal available literature concerning strategy implementation in Islamic banks, therefore this thesis can provide a novel contribution regarding strategy implementation in Islamic management.

This research, hence, attempts to cover the gap identified in the literature by examining the implementation phase of the strategic decisions using conventional and Islamic banks in Saudi Arabia. Thus, it fills the gap in two ways: firstly by examining the implementation stage of the strategic decision and secondly by focusing on a developing country. In addition, this study contributes to the literature in terms of being the first study to examine strategy implementation in Islamic banks, which dominate the Saudi financial system.

Saudi Arabia is the researcher's home country, which is one reason for choosing it. Furthermore, Saudi Arabia is characterised by its strong and stable economy. Since Saudi Arabia was officially approved for entry to the World Trade Organization many foreign companies have invested in the country, making it an established market. The government plans to open certain previously closed sectors such as telecommunications, insurance, and power transmission/distribution over time, and has enticed foreign companies to have

operations in the country. These changes would positively affect the Saudi economy including its banking sector by increasing the operations of banks and leading them to adopt new strategies to cope with the changes of a competitive environment. The Kingdom of Saudi Arabia has been rated as the thirteenth most economically competitive country in the world, according to the International Finance Corporation (IFC) - World Bank Annual Report and as 26 in the world in terms of ease in doing business (2013). The rapid rate of economic growth among Middle Eastern countries has included Saudi Arabia being placed as the best place to do business in the entire Middle East and Arab World. Moreover, Saudi Arabia is considered a hub for Muslim people and thus has served as the headquarters of many Islamic organisations; Islamic banks being one of them. Certainly, the situation in Saudi Arabia is going to be a constant and underlying topic in this study to discover how strategy implementation operates in Islamic business and in Islamic businesses' relationships with non-Islamic business in the same country.

1.5 RESEARCH METHODOLOGY

In order to fulfil the aims and objectives of this thesis, as well as to answer its questions, both qualitative and quantitative methods are used. Interviews are used as the main research method to collect qualitative data based on established strategic decisions case studies, while questionnaires have been used for quantitative analysis as a support method.

Qualitative research is based on studying meanings expressed through words, the collection of data through classifying this data into categories, and the analysis of it. In this study, the opinions and perceptions of the interviewees are qualitatively analysed, to develop meanings perhaps hidden by the socially constructed perceptions of the participants. The method of the interviews stems from the fact that the interviewee may use words or ideas in a particular way and the qualitative opportunity to probe these meanings will add significance and depth to the data obtained. The use of interviews may also lead to discussions of areas that were not previously addressed in the research questions and objectives (Saunders *et al.* 2007). Interviewees may also clarify or correct the researcher's own ideas, and generally facilitate the researcher's involvement with the cases being studied.

One-to-one interviews were made, involving face-to-face discussions. The semi-structured interview was employed as the form of the interviews. Saunders *et al.* (2007) define the semi-structured interview as where the researcher has a list of themes and questions to be covered,

which vary from interview to interview. It is acknowledged by Saunders *et al.* (2007) and Bryman (2004) that semi-structured interviews are more suitable for explanatory and explorative studies such as this thesis' research. Hence, a face-to-face semi-structured interview technique was employed for the purposes of this thesis.

The main subjects for the interviews were top managers of selected Saudi banks who were involved in recent strategy implementation decisions, and have a wide knowledge and experience on these particular strategic cases. The elite interview sample consists of in total eight top managers belonging to four banks: two Islamic and two conventional banks. While the main subject of the questionnaires were middle management levels who are only involved in the strategic cases being implemented by their banks, those individuals who are not involved in the implementation processes are excluded from participation on the questionnaires. Total of 120 employees from variety of management levels are responding to the questionnaire and therefore are considered in this study. In comparison with many of the previous studies conducted in this area, which were mostly based on interviews such as Okumus (2001, 2003, Obeidat 2008 and others), this research expands its research method, responding to previous methodical limitations by also using a quantitative method with the objective of collecting further data. The use of questionnaires strengthens the results of this study as they give support to the data gathered through interviews.

In sum, both qualitative and quantitative methods are employed to provide validity and reliability, with the objective of reducing bias.

1-6 STRUCTURE OF THE THESIS

The current chapter has so far presented the research background and problems, outlining the research's objectives and questions. It also discussed the rationality and motivation for conducting this research, and briefly explained the research's methodology. The remainder of this thesis is organised as follows; Chapter Two discusses the body of literature related to the strategic management field by surveying a variety of schools, significant theoretical and empirical frameworks, and previous researches related to strategy implementation. These will be presented in Chapter Two, which also serve to introduce the factors influencing the implementation process and its outcomes. In doing so, this chapter chooses the framework used to analyse these factors in this study, and re-groups the categorisations of those factors identified in existing studies.

Chapter Three discusses the methodological issues adopted in this thesis, explaining the nature of this study. The strategic design and the methodological techniques used are also justified. Data sources and criteria selection for the sample are highlighted. The organisation and procedure used for the technical tools and data analytical methods are presented in this chapter.

Chapter Four is the first empirically focussed chapter, and presents a descriptive analysis of the questionnaire survey with the objective of defining the general patterns that govern the data of the participants' perceptions, using descriptive statistics in the form of frequency measures. In presenting these results, in addition to the general results, the results split into bank type are also provided to identify differences amongst the participants' responses in a comparative manner. Information given includes background information on the participants, providing the length of their involvement and their capacity in strategy decision-making, describing further the factors influencing the strategy implementation, and finally statistically describing the strategy implementation outcomes for each bank type.

Chapter Five details the statistical analysis results attained from the questionnaire surveys which were distributed straight after the interviews, in order to gather the necessary information on the case studies dealt with using the interview method.

After presenting the results of the two empirical chapters, namely the descriptive and questionnaire survey results respectively, the second research method adopted for this thesis, of semi-structured interviews, is presented as the third empirical analysis in Chapter Six of this thesis. This chapter aims to investigate the following areas; firstly, approaches to the strategy implementation process; and secondly, those factors influencing the implementation process and its outcomes, which involves seeking to understand the function of the religion factor.

The discussion and conclusion is presented at Chapter 7, which is the last chapter of this thesis. It provides a summary of the data findings in regard to both Islamic and conventional banks, and also highlights the research limitations in terms of the data sample and other variables.

Chapter Two

STRATEGY IMPLEMENTATION IN STRATEGIC MANAGEMENT: A LITERATURE SURVEY

2.1 INTRODUCTION

The previous chapter presented the introduction of this research by identifying the research background and research problem, rationality and motivation of the study, research questions and objectives, a brief description of the adopted methodology and an overview of the thesis structure.

As mentioned in Chapter 1, the objectives of this research are to understand the approach of strategy implementation, identify the factors that influence the strategy implementation, and the role of religious factor in implementation of strategic decision by referring to the context that is Saudi Arabia. Based on these objectives, this chapter reviews the literature related to strategic management and the implementation stage of strategic decision to provide a theoretical framework for the research conducted in this thesis. In doing so, section 2.2 presents the strategic management school of thought. Section 2.3 presents the Strategic Decision Making, its types, process and key reading studies, while Section 2.4 presents the implementation stage of strategic decision including definition, factors leading to successful implementation. Section 2.5 illustrates strategy implementation frameworks, and lastly Section 2.6 provides a brief summary of this chapter.

2.2 STRATEGIC MANAGEMENT SCHOOL OF THOUGHT

Disciplines such as biology, history, economics, mathematics, politics and military history have all been influenced the literature of strategic management (Mintzberg, 1994, 1998; Ahlstrand and Lampel, 1998; Rumelt, Schendel and Teece, 1995; Okumus, 1999). Each of these disciplines has their own methods of analysis and assumptions based on their views and interests. For example, Mintzberg *et al.* (1990, 1998) recognizably identified ten schools of thought with each school has their respective perspective and views that focus on key aspects of the strategic process.

The first three schools in the field are ‘design’, ‘planning’ and ‘positioning’ school that have focused on how strategies should be formulated rather than how to implement them; they develop perspective and seek to explain the proper ways of making strategy. For instance, the

design school developed in 1960s views strategy formation as a process of informal design or conception and because it is in leaders' conscious mind it is called SWOT. Built on the design school, the planning school has emerged to see strategic mechanism as systematic process of formal planning or in other word as the consequences of planning and measured actions. The third school, which focus more on the content of strategies, views strategy making as a process of selection position in the marketplace, as put forward by Porter (1980, 1985).

It should be noted that the first two approaches or schools, namely planning and learning school, have been dominated the strategic management literature and therefore are considered as the most influential in the strategic management field (Ansoff, 1965; Andrews, 1986; Whittington, 1998). The other 'beasts', as Mintzberg (1998) call them, focus on or concern about the process of strategy making in the sense how strategies are made.

The following section reviews those schools of thought, which are concerned with the strategic process regarding strategic management (Mintzberg 1994, 1998). Although, French (2009) has grouped seven school into three categories; classical school including design school, planning school, and positioning school. The second category is the Neo-classical school including the contingency school and resource school. The third category, however, being the post-classical school includes learning and emergency school. In this research, Mintzberg's classification of the ten schools of thought is considered, as it provides a comprehensive explanation and systematic understanding, which are presented as follows:

2.2.1 Learning School

Flexibility, management by change, incremental knowledge added, and learning curves are what make the organisations rapidly response to environmental changes. Hence, strategists plan to achieve the organizational goals but also at the same time they collaborate to learn and realize a new situation or patterns where the strategies emerge. Thus, learning school views strategy as patterns of realization contrary to what planning school thinks as rational intended strategies. Hence, this school come up with the definition of strategy as patterns in a stream of actions (Mintzber and Waters, 1985), while Quinn (1980:35) states that successful approaches merge into a pattern of action, which becomes firm's strategy. Quinn (1980) also mentions that plans as strategic definition from the planning school can be unrealized, while patterns as strategic definition from the learning school might appear without preconception.

The argument of the learning school is then, how organisation forms their strategies rather than how they are formulated (Mintzberg, 1998). It seems that formulating a strategy is a hard task; strategy implementation is, however, even harder (Hrebiniak, 1984). Schaap (2006) also states that the strategy-implementing or strategy-executing task is easily the most complicated and time-consuming part of strategy and frequently requires a focus on effecting strategic change. While the learning school focus more on description rather than prescription (Mintzberg, 1998), the two categories, namely implementation and formulation (Mintzberg combined them in one term- formation), are seen complementary, not alternative, thus one can influence the other (Mintzberg and Waters 1985). Quinn (1980) also argued that strategy is implemented in an incremental, trial and error approach, and that implementation and formulation are often treated intertwined. Moreover, Mildred *et al.* (2007) argue that we should equally think of strategy implementation as a core competency as we think of strategic planning process, but the problem lies on the lacking of conceptual models of the implementation process.

2.2.2 Logical Incrementalism

Based on intensive interviews in some of the US and Europe organisations, Quinn, (1980) develops a different view of strategy formation in that planning school plays a vital role in developing new data, but it did not capture the essence of strategy formation nor did it describe how the strategies formulated. In addition, he disagreed with Lindblom's theory not in the incremental process, but on its disjointedness, and therefore Lindblom's theory did not fit observed behavioural patterns (Quinn, 1980; cited in Mintzberget *al.*, 1998).

Quinn (1980) states that organisations arrive at strategies as integrated conceptions, in which logical incrementalism joined the pieces together. In his book, 'Strategies for Change', Quinn (1980: 15) stated that logical incrementalism is:

The real strategy tends to evolve as internal decisions and external events flow together to create a new, widely shared consensus for action among key members of the top management team. In well run organisations managers pro-actively guide these streams of actions and events incrementally toward conscious strategies.

He further defined strategic management as "to develop or maintain in the top executives' minds a consistent pattern among the decisions made in each subsystem" (Quinn, 1980: 52). Thus, organisations are considered consisting of subsystems for example diversification and reorganisation (Mintzberget *al.*, 1998).

2.2.3 The Power School

The power school views strategic formation as a process of influence, and emphasizes the use of power and politics to negotiate strategies favourable to particular interest groups (Mintzberget *al.*, 1998). Eisendhardt *et al.* (1992) points out that the political and power approach can be traced back to political science literature in the 1950s. The political science views that the strategic decision emphasized the conflictual nature of the legislative process, where there are competing interests defined as coalitions and powerful people. In a similar line, organisations consist of coalitions of people with competing interests, and some individuals have shared interest others have conflicts arising from different positions within the organisation (Allison, 1971; cited in Eisendhardt *et al.*, 1992).

Mentzberget *al.*(1998) states that the description of power is the influence beyond the economic competition, which implies that the purpose of the organisations is to compete legitimately in the economic marketplace, then the power and political process can be used to describe behaviours that are illegitimate. The legitimate line between both; position and power school is fine and therefore positioning school can become political with slight change in perception (Mentzberg, et al., 1998).

Menzberg (1998) then separates between two stands of this school; micro and macro power. The former refers to the play of politics inside the organisation focusing on the internal actors and how they conflicted with each other particularly within the process of strategic management. The latter refers to the use of power by the organisation and usually views the organisation acting out of its self-interest.

Furthermore, Bolman and Deal (1997) explain how the politics form in the organisations by the following propositions: (Cited in Metzberg et al 1998: 239).

- (a) Organisations are coalitions of various individuals and interest groups;
- (b) Values, beliefs, interests are varying between coalition members;
- (c) Scarcity of resources gives conflict a central role in organisational dynamic and the power an important resource;
- (d) Goals and decisions emerged from bargaining and negotiation for positions among different stakeholders;

(e) Most important decisions involved allocation scarce resources- who get what.

However, the strategies that emerge from the political power process will reflect the interest of the most powerful groups in the organisation and therefore implement their power structure (Mentzberger *et al.*, 1998). Mentzberger *et al.* (1998) further illustrated that all middle and big organisations are politically influenced. This influence for the big organisations could be due the economic and resource power those organisations play or due to some political parties involved economically with them.

It should be noted contributors such as Baldrige (1971), French and Ravan (1959), Pfeffer (1981), Russ (1994) have noted power might come from other sources apart from authority and position; such sources as control of rewards, information, personal power (charisma) or alliances and networks (Bolman and Dear, 2003). Individuals within a group even without authority may have influenced the strategic formation if they are well organised (Mintzberger *et al.*, 1998; Bolman and Deal, 2008). While Quinn (1980), in his study of interest groups' influences in nine large US organisations could not prove the influence of interest groups on the strategic formulation.

One of the best comprehensive descriptions of strategy formation is by Allison and Zelikow (1990) as a process of internal politics. Based on well-known study of Cuban missile crisis, he found that group-decision process ensure better analysis of information, full consideration of relevant values and interest, more accurate estimate of costs and benefits, and dodge many obvious pitfalls.

2.2.4 Environmental School

The environmental school position the environment as one of the central forces of strategic thinking and hence views strategy formation as reactive process, whereby leadership and organisation become subordinate to the external environment (Mintzberger *et al.*, 1998). Environmental school has been presented in other schools such as planning, learning, and position, as action rather than a force. However, there exist three assumptions regarding this school;

- (a) The environment is the central actor in the strategy making process;
- (b) The organisation must response to these forces within certain period;

(c) Leadership should read the environment and thus become a passive element for this purpose.

According to their book 'Strategy Safari', Mintzberget *al.* (1998) mention that there are three different views that environmental school holds in the strategic management premises; first the contingency view which state that the best way to run the organisation depends on four dimensions:

(a) Stability: A variety of factors that make an environment dynamic such as unstable government or unexpected change in customers or supply side, the problems are caused by change that accrue unexpectedly;

(b) Complexity: The extent to which an organisation has a sophisticated knowledge about products, customers and supply;

(c) Market diversity, which refers to different methods of distribution;

(d) Hostility: An organisation's environment can range from munificent to hostility, which is influenced by the competition and the organisation's relationship with its unions and government.

Moreover, organisational size, technology, and environmental uncertainly have a deep impact on many strategic aspects including structural centralisation and formalisation (Miller *et al.*, 1988). Miller *et al.* (1988) further argued that there is inconsiderable intervening construct between process and context in strategy making process, and they further state that context is broad and ambiguous term therefore they defined context as

The challenges and resources, economic as well as human, that surround an organization. Context usually represents a broad field of constraints, opportunities, and possibilities. Executives will therefore choose from among a number of viable strategies and strategic making process within any context (Miller *et al.*, 1988: 545).

Other than market diversity and complexity, it has been found that product innovations as an important strategy dimension have very strong relationship to environmental uncertainty in which competing products or customers' preferences alert significantly, and this significance is far less in stable and expected environment, thus the literature on organisational environment and strategy assume that relationships on the basis of the contingency view functionalism(Miller *et al.*, 1988; Mintzberget *al.*, 1976).

Second view of the environmental school is the population ecology, which views strategy as a process of continuous adaptation where environment set the criteria of competition in specific industry (Mintzberg, 1998).

2.2.5 Positioning School

The positioning school views strategy formation as an analytical process, where the industry of given business is the context in determining how the business compete in that industry (Mintzberget *al.*, 1998; Porter, 1980, 1985). Strategic position, value chain, SWOT analysis and five forces have been developed from this view (Porter, 1980, 1985) and recognized as the dominated paradigm in the competitive strategy (Campbell-Hunt, 2000). In addition, a large number of waves and models followed this school making it the dominated school in the field such models such as growth-share matrix and profit impact of market strategies (Mintzberget *al.*, 1998). Accordingly, positioning school firms would choose between two strategic position; differentiation or cost leadership, VRINE model for analysing the internal environment; resources and capabilities. Thus, positioning school takes the approach of analysing more than planning.

2.2.6 Cultural School

Mentzberget *al.* (1998: 268) mention that the main premises of the cultural school is its emphasis on social interaction; and therefore they state that “Strategy formation is a process of social interaction based on the beliefs and understanding shared by the members of the organisation, and it does not encourage strategy change so much as the perpetuation of existing strategy” (Mentzberget *al.*, 1998:268).

A link between cultural school view and resource-based view has been explained by Pelling (2004) in that tacit knowledge including valuable and rare resources as core of the resource based view as Barney (1991) illustrated, is aligned with cultural school view. It should be noted that both views are theorized to produce competitive advantage. Pelling (2004) further argues that the cultural school does not have a view of strategy as knowledge; it rather seeks to post-justify behaviour related investment. Yet the cultural literature provides evidence as to how it could cause resistance to strategy change and establish individual’s decision making process (Mentzberget *al.*, 1998, 2009).

It should be noted that fields such as social science and psychology give more attention to the religious and cultural aspects and its dominated roles in society. Economists have confined the issue of religion and culture until recent times to the study of their respective organisational level and the competitive environment surrounding it. They view religious attitude as part of social capital strategic planning and behaviour of which could provide substantial insight into strategic management field (Miller, 2002). Miller in his study shade a new light into the link between social, religious and the strategic management practices, which include as to how those organisations strategized, offering their products and services, and compete in the given market.

The resource-based view (RBV) of the competitive advantage explained the importance of rare resources that an organisation gains. In these respect religious practices within the organisation, as part of rare resources, can be critical in serving the reputation and provide the expansion of intangible asset, which may be a case of sustainable competitive advantage by serving as a social actor within the formulation and implementation process of a strategy.

Stonich (1982) recognised the importance of cultural in forming the strategy planning, given more opportunity for new research to investigate its importance in the implementation stage as well. In referring to the RBV view, the argument in the distinctive competence argues that organisations differentiate themselves from other competitors by formalising the idea of matching their internal factors (such as *Shari'ah* board for Islamic banks) with external environmental circumstances, which might secure a sustainable competitive advantage. Intangible resources such as religious and cultural repertoire and reputation allow goods and services to be created in an embedded manner resulting valuable and rare good and services. Hence, for example in the case of Saudi Arabian banks, their capabilities are enhanced by its religiously (Islamic rules) defined *Shari'ah* boards. Hence, religious and cultural repertoire provides additional capabilities and abilities for organisations to use as social capital to create their own strategic advantages.

2.2.7 Overall Reflections on the School of Thought

To summarise, while each school has emphasised certain perspective and aspect regarding strategic thoughts, it could be clearly understood from the work of Mentzberg that each school has influenced the other. For example, economic forces and marketplace situation aspects for the positioning school's view have similar views with environment and planning

school. While environment set the criteria of competition in specific industry in the environment school, it plays an important role within economic forces and influences the market situation in the positioning school. Similarly, learning school focuses on the importance of environmental forces as action. Moreover, the idea of the positioning school developed in the dominating period of the planning school and to some extent it is the extension of the planning school's thought (Mentzberger *et al.*, 1998; French, 2009).

The introduction of these schools of thought based on Mentzberger *et al.*'s (1998) work, which has benefited the interested academic in many ways. For example, it provided a clear road for the beginning root of the strategic management; secondly, it gave the space for management scholars to develop central frameworks and models; thirdly, it showed interrelationships and difference stands within schools. Fourthly, it also explained the natural of the context and the process of strategic management.

In relation to this study, it should be noted that Mentzberger *et al.*'s (1998) work constitutes the foundational introduction for the rest of this chapter. After presenting a review on the available school of thoughts, the following section focuses on strategy implementation stage.

2.3 THE IMPLEMENTATION STAGE

'The strategy bit is easy; it is only when we get to implementation the fun starts' Carnall, (1999)

The conceptual definition of the implementation has not been noticeably defined in the literature. Most of these studies have discussed it from multi-purpose including economy, social, psychology and strategic management (Miller, 1990). Pryor *et al.* (2007) state that conceptual models of the implementation process are lacking in the literature. Thus, the lack of conceptual definition of the strategy implementation might be an issue of establishing comprehensive frameworks and also could be due to the facts that there are many factors influencing the implementation process or also due to a specific organizational and cultural context in practice. However, it is evident that firms which implement strategic planning achieve better performances than those which do not, but unfortunately implemented strategies often fail due to problems encountered at the implementation stage (O'Regan and Ghobadian, 2002).

The important issue is that strategic decisions should be implemented with awareness that the success of those strategies is vital for the organisation by identifying the factors influencing

the process and the outcomes of the strategy implementation stage, an organisation will be better move forward for its future performance. Moreover, if the strategy fails due to inappropriate or poor implementation, all the efforts on the formulation phases become worthless and amount to time wasted. Thus, strategic thinking has no effect and sheds no light on the firm's performance, unless all the elements or factors of the strategy fit together and into which it has appropriated capabilities, system and structure (Okumus, 2001, 2003). Because implementing strategies often comes with changes in process, system and even in the structure of an organization (Hrebiniak and Joyce, 1984; Stonich, 1982), hence executives must wisely move towards changes that affect people and the entire implementation. In providing evidence for this, Charan and Colvin (1999), for example, found that 70% of strategies failed, not due to the strategic content or decision itself, but because of ineffective implementation in which managers are indecisive and not committed. Other researchers estimate a rate of failure of between 50 and 90 percent (*e.g.* Kiechel, 1982, 1984; Gray, 1986; Nutt, 1999; Kaplan and Norton, 2001; Sirkin *et al.*, 2005; cited in Carlos *et al.*, 2008).

As stated by Hrebiniak (2006), top management teams found formulating a strategic decision is a hard task; executing or implementing such a strategy is even harder. As Schaap (2006) states the strategy-implementing or strategy-executing task are easily the most complicated and time consuming part of strategic and frequently requires a focus on effecting strategic change.

The challenges facing managers are continually rising from different angles surrounding the process. There is no one bill treatment to gain a successful implementation rather it is continuous challenge in that it requires collective approach from managers along with low-level stuff, more specifically the factors influencing the process, outcomes and how these factors or variables interacting together. There are many factors that influence or/and contribute to the outcomes of strategy implementation, whether these factors are internal or external (Yang Li *et al.*, 2008). It should be noted that robust studies have examined in the strategic management literature regarding strategy formation, while strategy implementation has received insufficient attention, although wasted efforts and recourses fail during this crucial stage (Pryor *et al.*, 2007).

However, many authors have come to define the conceptual definition of strategy implementation; these among others include, Noble (1999), Schaap (2006), Singh, 1998), Yang Li *et al.* (2008) and Harrington (2006). Yet there is no universal definition of strategy

implementation, as Miller (1999:47) pointed that “the concept of implementation is not always clearly defined in the literature. Many studies discuss it in a general way. Implementation is thus often understood to mean ‘putting something into effect’, ‘enacting’ or ‘realising’ something”.

Harrington (2006: 347) define it

... As an iterative process of implementing strategies, policies, programs and action plans that allow a firm to utilize its resources to take advantage of opportunities in the competitive environment. This iterative process allows for the mission, goals and objectives to be fully defined and formulated in advance or to emerge and change during the process.

Also implementation was found to be a highly complex and interactive process with many variables impinging upon it – more of a ‘spring’ than a simple cascade. Many factors influence the flow and content of the ‘spring’ (Wernham, 1985). Using a behaviour approach to define it, Schaap (2006: 15) stated that “implementation is a hands-on operation and action-oriented human behavioural activity that calls for executive leadership and key managerial skills”. Another simple definition is provided by Singh (1998: 147) who states that “the actual implementation of the information-processing and problem-solving activities that make up a formulated decision strategy”, although Noble (1999b) sees strategy implementation as something of craft rather than a science, which has been described as fragmented and eclectic.

Probably the most comprehensive definition of strategy implementation is provided by Yang Li *et al.* (2008) by taking the entire process and context into consideration, as a dynamic, iterative and complex process, which is comprised of a series of decisions and activities by managers and employees – affected by a number of interrelated internal and external factors – to turn strategic plans into reality in order to achieve strategic objectives.

Despite of the approach used in defining the implementation process, all have stressed the importance of interaction between factors, process, and the desired outcomes. Most researchers emphasized on the ‘must’ fit between variables, control and maintaining over time in order to make the strategy work (Okumus, 2001, 2003; Hrebiniak and Joyce, 1984; Stonich 1982; Miller, 1990; Mintberg, 1990, 1998). However, the key area for discussion of strategy implementation is the factors influence the process and determining the nature of the outcomes.

2.3.1. Aspects of Successful Implementation

If the strategy fails due to inappropriate or poor implementation, all the efforts on the formulation phases become worthless and time wasted. Strategic thinking has no affect and has no light on the firm performance, unless all the elements of the strategy fit together in which it has appropriated capabilities, system and structure. Because implementing strategies often comes with change in process, system and even structure of an organization (Hrebiniak and Joyce, 1984), executives must wisely step toward changes that affect the people and the entire implementation.

In surveying a number of strategy implementation, Charan and Colvin (1999) found that 70 percent of strategies failed not due to the strategic content or thinking but because of the ineffective implementation in which managers being indecisive and not committed. Other researchers estimate a rate of failure between 50 and 90 percent (*e.g.* Kiechel, 1982, 1984; Gray, 1986; N`utt, 1999; Kaplan and Norton, 2001; Sirkin *et al.*, 2005). Many researchers have provided comprehensive sets of implementation successful factors in which some provide comprehensive framework others have empirically test these frameworks. These successful factors and frameworks are discussed in the next section.

Miller (1997) defines successful implementation consisting of three features:

- (i) Completion of everything intended to be implemented within the expected time period;
- (ii) Achievement of the performance intended; and
- (ii) Acceptability of the method of implementation and outcomes within the organisation.

Similarly Schaap, (2006: 14) define success as “the operational achievement or accomplishment of the specific objectives set by the organisation, contrary failure is operationally defines as the barriers that block strategy implementation”. However the successful/ unsuccessful implementation usually refers to the final outcomes of the strategy. In similarity, Proctor et al, (2011) proposed eight successful implementation outcomes as acceptability, adoption, appropriateness, costs, feasibility, fidelity, and Penetration, sustainability. However, the three features of successful implementation set by Miller (1997) are considered to determine the outcomes of the strategy implementation as it can be seen as the most suitable and understandable features found in implementation literature.

2.4. STRATEGY IMPLEMENTATION FRAMEWORKS

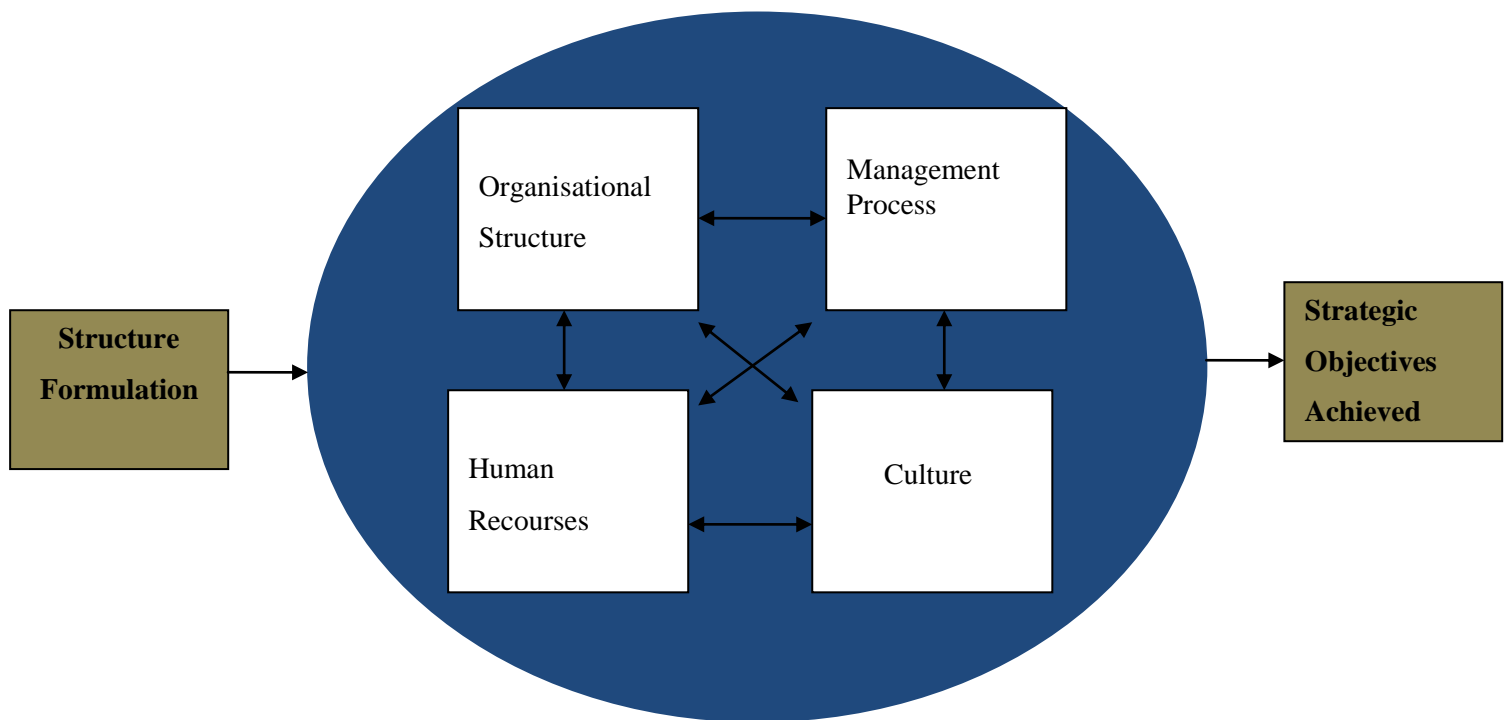
There are number of strategy implementation frameworks have been developed since 1980s, some are conceptual frameworks and other are empirically tested or developed (Okumus, 1999, 2001, and 2003). The next section discusses each framework providing their implications and the factors affecting the implementation process.

2.4.1. Conceptual Implementation Frameworks

There are number of significant conceptual implementation frameworks have been developed by focusing on the key implementation factors or variables that might affect the process; among others Stonich (1982), Hrebiniak and Joyce (1984), Galbraith and Kazanjian (1986), Hambrick and Cannella (1989) Alexander (1985, 1986), Aker (1995), Thomson and Strickland (1995) can be mentioned. These were the first implementation frameworks in the management field. While none of those frameworks have empirically been tested, they, however, showed that a number of variables which play a major role in the implementation process including formulation, organizational structure, communication and outcomes. They also insist that there must be a fit among those variables in order for the strategy to be effective. The next section will survey each study and its main features and argument.

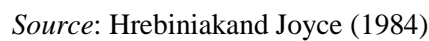
One of the most significant conceptual frameworks is proposed by Stonich (1982) using a case study approach and a self-test questionnaire to assess a company's need for an in-depth investigation.

Figure 2.1: Implementing Strategy: The Model



Stonich's (1982) framework, as depicted in Figure 2.1, includes five interrelated variables: strategy formulation, organizational structure, human resources, management process, and cultural. In this, 'formulation' is the process by which a strategy is formulated; 'structure' is the formal authority hierarchy that delineates the various roles, responsibilities, and reporting relationship within the firm, 'human resources' represents the organization's people, their skills, experience, and ability; management process includes planning, programming, budgeting, and rewarding system 'nervous system', while 'culture' relates how things are really done by dictating what can and will be done. Stonich (1982) emphasised on the 'must' fit between the five elements of a company which can make a strategy happen and also maintaining over time if a change would occur in one element in which mismatching or conflicting in one of them will result in inviting failure. For instance, attempting to implement strategy without a people with requisite skills and training will have important consequences for the entire process. Stonich (1982) found some management process that impeded strategy implementation; for instance, the decentralised resource allocation process, short-term oriented reward system, and corporate culture resisting significant changes in strategic direction.

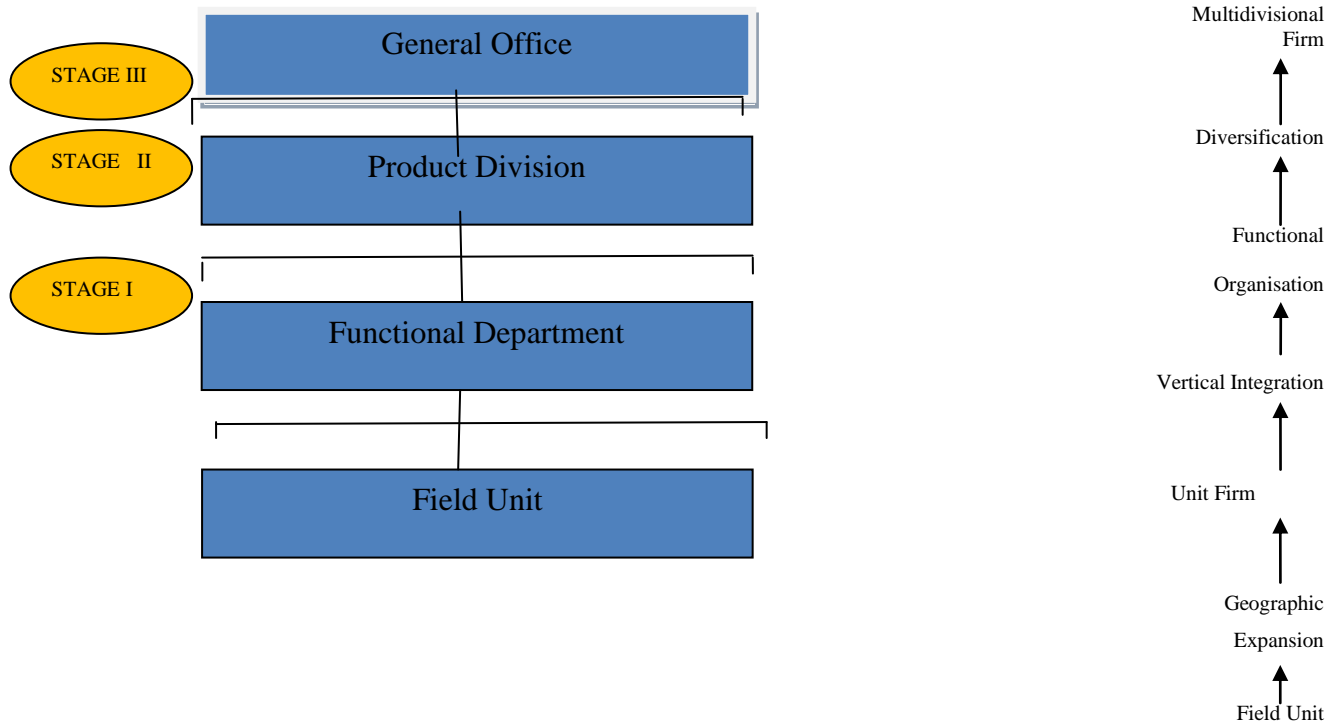
Planning Design



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Through the work of Candler (1962) and Williamson (1970) Galbraith and Kazanjian (1986) introduce the conceptual framework of strategy and structure, as depicted in Figure 2.3.

Figure 2.3: Strategies and Structure Model

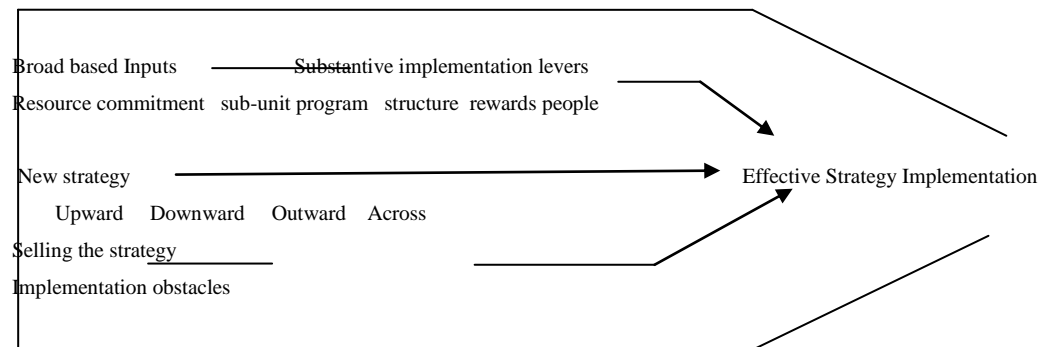


Sources: Gaibraith and Kazanjian (1986)

This framework emphasises that in order for the strategy to be implemented effectively, an organizational structure should depend and follow the growth strategy of the firm which is the first principle proposed by Candler (1962), according to which structural choice follows strategic choice. This framework is based on the fit between strategy and structure, which includes other important variables such as human resource, reward system, tasks *etc.* Galbraith and Kazanjian (1986) have extended the work of Candler (1962) on the divisional strategy and multidivisional structure by taking a sample from the Fortune 500 with four different types of strategies in diversified firms. Their main finding was that competition factor play a major role in finding the fit between strategy and structure and also other factors such as skilled people, ongoing reward system provide *etc* appear to be pursued to achieve a high level of performance.

Hamhavek and Cannella (1989) present a strategy implementation framework as illustrated in Figure 2.4 who argued that in order for the new strategy implementation to be effective, it has to be carefully crossing a tunnel of two sides or on other word set of variables.

Figure: 2.4: Strategy Implementation Framework



Source: Hamhavek and Cannella (1989: 279)

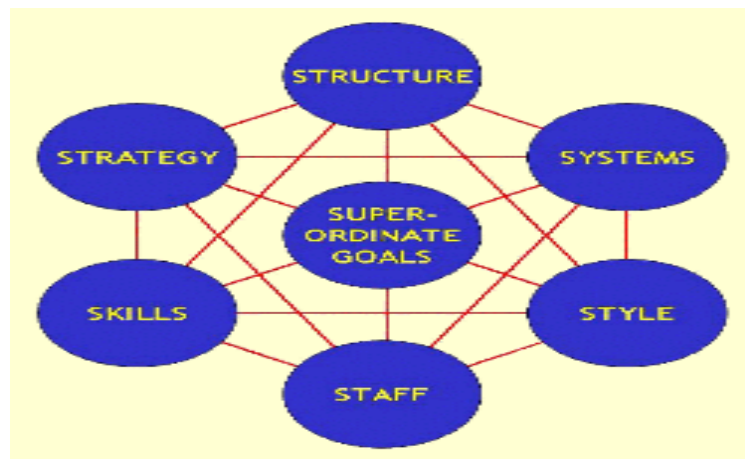
In this model, one side is called ‘selling the strategy’, which is concerned about the internal and external communication throughout the entire organization, second is the implementation levers which include resource commitment, subunit programme, structure, rewords and people. Similar to the root of many failed strategies, which tend to treat formulation and implementation as two separate phases, they state that for the reason of making the strategy implementable and workable, the implementation stage must be considered during the no later than the formulation stage. However, these authors claimed that their framework was based on an empirical research in a Multi-business company. However, no further explanation was given about the research methodology in terms of their sample and data collection methods.

Thomson and Strickland (1995) mention that the stronger the fit of the strategy implementation, the better the probability that performance targets will be achieved. The fits here refer to the coherence between the strategy and the factors, which might affect the process including organizational structure, capabilities, communication and culture.

2.4.2. Empirically Developed and Tested Frameworks

Waterman *et al.* (1980: 18) developed a conceptual framework as “a new view of organization”. As can be seen in Figure 2.5, they demonstrated seven factors, namely structure, strategy, skills, staff, style, systems, and superordinate goals, which is therefore named as ‘7-S Framework’.

Figure2. 5: A New View of Organization



Source: Waterman et al. (1980: 18)

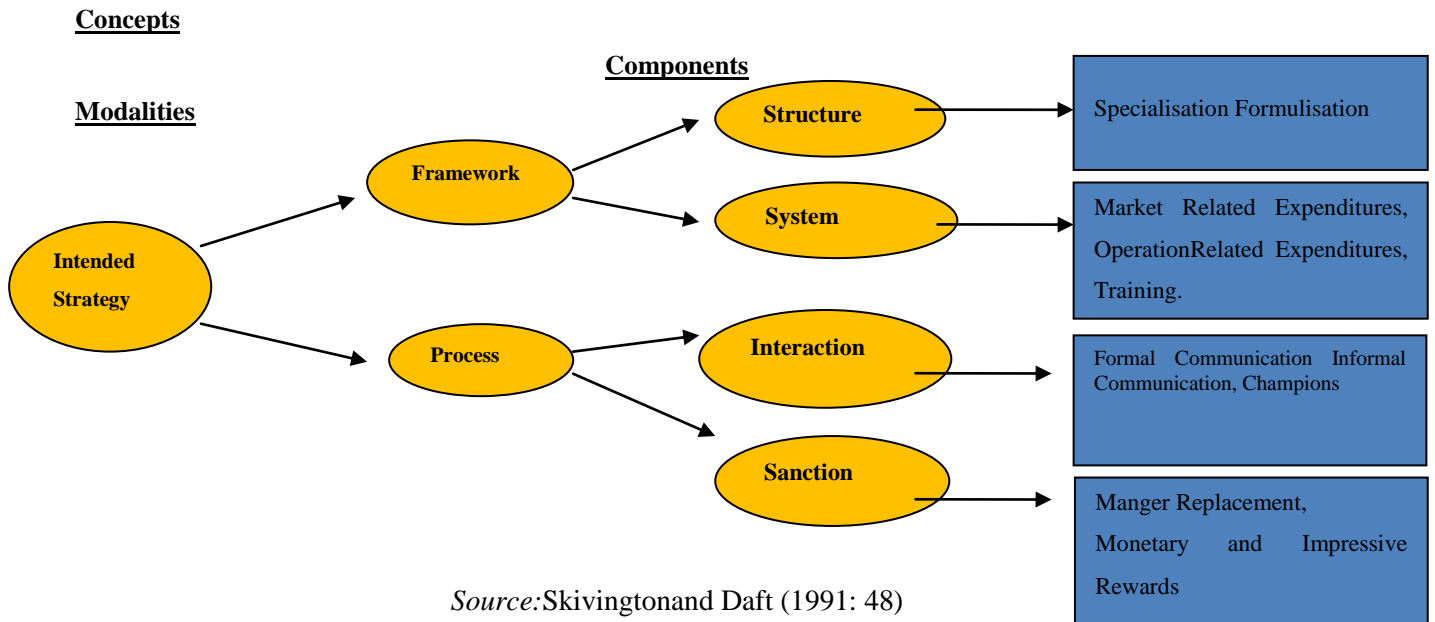
Waterman et al. (1980: 18) claimed that effective organizational change in this model refers to relationship between these factors. However, without explaining the relationship, they believe that among these factors style, system, skills, and superordinate goals are important and can be observed directly and even measured. Although, they discuss each factor but they did not explain the relationship and the interaction between them but rather they suggest several ideas, as follows:

- A multiplicity of these factors which influence an organization's ability to change;
- The proposed framework is intended to convey the notion of the interconnectedness of these variables (focus on some variables and ignore other);
- The failure is within the implementation process which resulting from inattention to the other variables;
- No starting point or implied hierarchy in the framework, on other word the critical point could be strategy on some cases or system on other.

In conceptualising the management of strategic change, Pettigrew and Whipp (1991) propose a framework consisting of five factors: environmental assessment, leading change, human resources, linking strategic and operational change and coherence. Under each factor, they further propose a number of sub-mechanisms such as justifying the need for change, using rewards, designing plans, monitoring, etc. However, it should be noted that there appears important overlapping areas between both the factors and also sub-mechanisms. Pettigrew

and Whipp (1991) suggest that these five factors should be considered when implementing strategic changes.

Figure 2. 6: Business Strategy Implementation Model



In their quantitative research, Skivington and Daft (1991) investigated the implementation of 57 decisions in integrated circuits, petroleum, and health care organisations. The purpose of their research is to study how business level strategic decisions were implemented. As illustrated in Figure 2.6, they identified a number of implementation variables and divided them into two groups, namely framework and process variables. The study's methodology is based on open-ended interviews with top management and closed-ended questions were developed to measure the variables. This study was designed to bridge the empirical gap between framework and process views to determine which framework and process variables need to be used when implementing differentiation or low cost strategic decisions. They found that these two strategies employ different variables and that a 'gestalt' of variables may exist for each type of strategy. Skivington and Daft (1991) suggests that strategy implementation frameworks should be comprehensive and should include multiple elements both from framework and process modalities.

In an attempt to develop and empirical test an implementation framework, Schmelzer (1992) focused on three restaurant firms (see also Schmelzer and Olsen, 1994) by using a case study approach in which qualitative method was used to assist in collecting data based on interviews with the upper, middle and lower level managers. In addition, they analysed and

participant companies' relevant documents. As shown in Table 2.1, Schmelzer (1992) identified fourteen implementation variables, grouped them into content and process variables and further primary and secondary variables. He referred to strategy implementation as a progression from content to process and argued that the two components work in concert to implement the strategy.

Table 2.1: Classifications of the Key Implementation Variables

| | Content Variables | Process Variables |
|----------------------------|--------------------------------|--|
| Primary Variables | Percived Environment | Information System |
| | Uncertainty | Planning and Control |
| | Organisational Structure | Project Style |
| | Organisational Culture | Resource Allocation, Method of traning |
| Secondary Variables | Size and Geographic dispersion | Rewards and Incentives |
| | Life cycel stage | |
| | Manager's demography | |
| | Corporate Strategy | |
| | Business Strategy | |

Source: Schmelzer (1992: 347)

Schmelzer (1992) claimed that her research identified new variables such as perceived environmental uncertainty, organisational culture, information systems, training, size and geographic dispersion of the company, life cycle of the company and managers' demography. However, all of these variables or factors have been identified and referred in the previous frameworks.

Bryson and Bromiley (1993) empirically tested their proposed critical factors affecting the planning and implementation of major projects. This exploratory study reported the results of a quantitative cross-sectional analysis of 68 case descriptions of major projects in public companies. They identified several variables and grouped them into three categories, namely context, process and outcome variables. Factors analysis was used to identify major factors associated with context, process and outcome. While they showed significant relationship among these three groups, their research results did not evidently illustrate the natural relationships between the context and process variables.

Based on Alexander's study (1985), Kargar and Blumenthal (1994) empirically investigated the factors affecting the implementation stage in sixty-nine small community banks in US using quantitative method techniques. In addition to the variables identified in previous

studies, the author identified two new variables namely unclear responsibilities and unclear statement of overall goals. With the exception of the new two variables, this study is mainly replicated of Alexander's study.

In conducting empirical case studies, Rodrigues and Hickson (1995) carried out a study of 53 cases of strategic decision-making in eight British organisations, both public and private, including business firms, non-business organisations, and the National Health Service. They explain the differences in the strategic decision-making process in multi-industry, and they found no relationship in the process between those organisations until the organisations were separated, which means they investigated them as a single industry. In their empirical study, Rodrigues and Hickson(1995) reported notable differences in both sectors; as they found that in the private sector, successful strategic decisions resulting from the process are more likely when sufficient information and means are available. By contrast, they found successful decisions are more likely when the right people participate and the people at the top management do not interfere too much in the non-business sector. They also found no correlation between the success of decisions and the process of making those decisions. The limitation of this study is that it cannot not be generalised because it did not cover companies both from public and private sectors; for example they did not cover the financial and banking sector or schools and local government in the non-business sector. It should also be noted that the advantage of conducting these kinds of studies on a single industry would be greater than on several industries. For example, they found no relationship in the decision-making process when it was conducted in a multi-industry context. Therefore, it can be claimed that homogenous nature within one industry generates better control of the industry context (Pollalis, 2003), as the one industry based study will have a smaller sample size which will have a greater or more substantial effect in return. It should, on the other hand, be noted that weak results have been found in the multi-industry context (Slater and Atuahene, 2004).

Miller (1990, 1997) empirically studied the factors for success or failure in the implementation process with no use of conceptual framework, in which eleven strategic decisions were examined in six private and public organizations using a case study approach and in-depth interviews. As displayed in Table 2.2, she identified ten variables categorizing them into realizers and enablers. While the realizers influence the implementation process in which they represent the clarity of vision and purpose, and the positive context that needed

for successful outcomes, the enablers, on other hand, provide the facilitating conditions of ‘know-how’, impetus, adequate resources. She claimed that realizers which are more critical in implementing strategic decisions successfully, where enabler variables are more heterogeneous in which do not work together in such a synergistic way and their combined effect is not as powerful as in the case of realise variables. She in line with Alexander (1986) and Nutt (1989) found that not only internal organizational factors should be taken into account but also external factors play a major part such as environmental aspects. She further states that successful implementation often take the form of financial or market indicators, where there are certain problems associated with this approach with the acknowledgement of the criticism of such measure by Guest (1992). She then identified three features of successful implementation which are completion, achievement, and acceptability.

Table 2.2: Realizers and Enablers

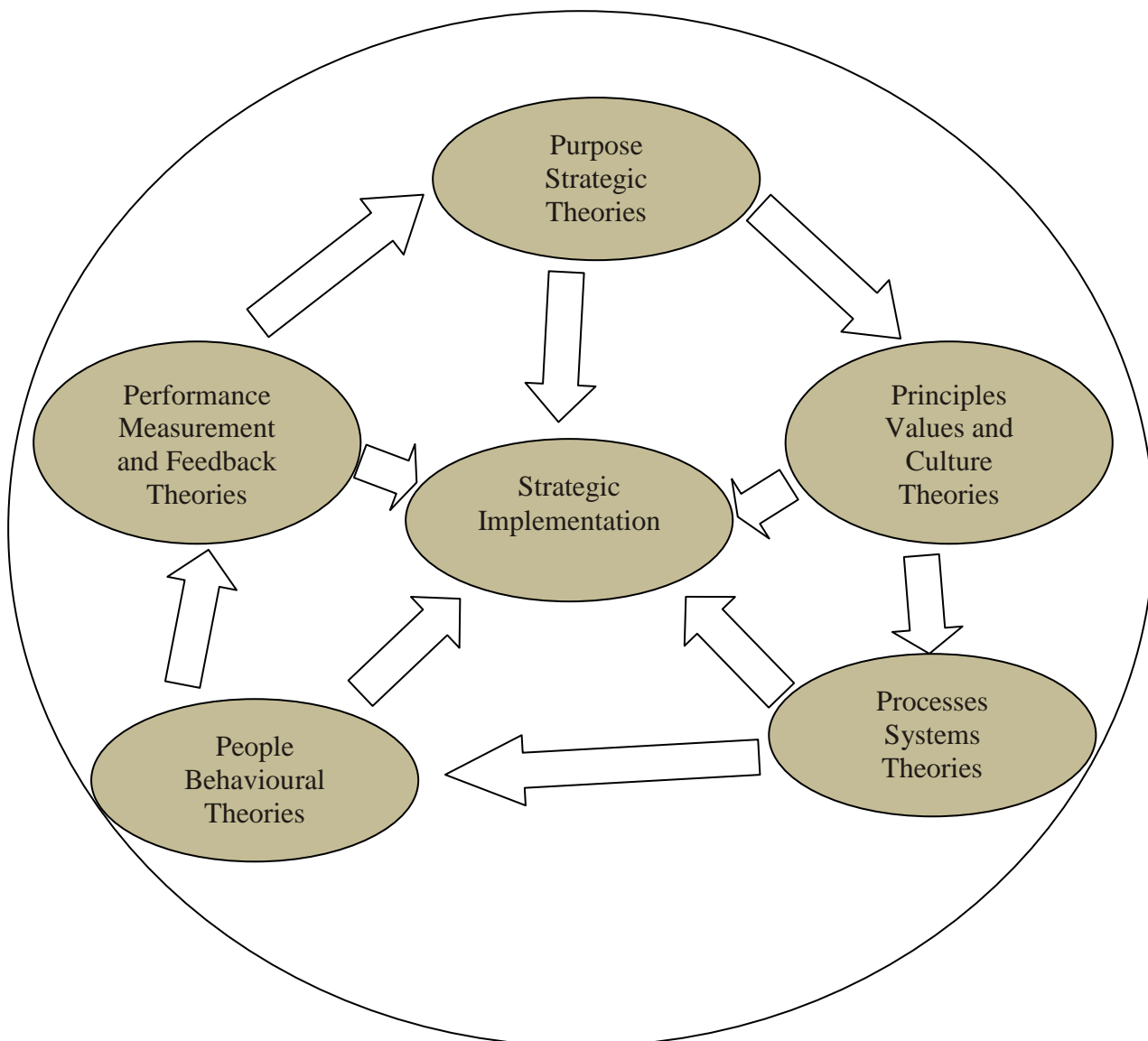
| Realizers | |
|-------------------------|---|
| Baking | The degree to which influence patterns favour implementing |
| Assessability | The degree to which the success of the implementation can be evaluated with precision. |
| Specificity | The degree to which precise details of the implementation tasks and activities were decided beforehand. |
| Cultural receptivity | The degree to which is the organisational cultural is conducive to the process of the implementation. |
| Propitiousness | The degree to which any external foreseen circumstances favour implementation. |
| Enablers | |
| Familiarity | The degree to which those involved have experience relevant to the implementation. |
| Priority | The degree to which implementation is given precedence in the organisation. |
| Resource availability | The degree to which resources for implementation such as time and finance are available. |
| Structural facilitation | the degree to which organisational structure is conducive to the process to the implementation. |
| Flexibility | The degree to which the implementation process can be adopted to accommodate changing circumstances. |

Source: Miller (1997: 584)

In exploring the obstacles to successful implementation in the UK companies Al-Ghamdi (1998) replicated and extended to Alexander’s study (1985), who has called to gear toward the problems of implementation rather than only focusing on formulation by using quantitative method through questionnaires. Al-Ghamdi (1998) did not use a framework but rather he identified number of variables associated with the implementation process including recourses allocating, information system, involvement and external environment *etc.*

A well structured and methodised study was carried out by Pryor *et al.* (2007), which argues that a systematic strategy implementation requires a more integrative methodology, thus obtainable implementation approaches are not programmatic for decision makers who are in charge with implementation. For this, as can be seen in Figure 2.7, the study offered the 5Ps model, which is suggested by the authors to be a universal comprehensive model for an effective strategy implementation.

Figure 2.7: Ps Model of Strategy Implementation



Source: Pryor *et al.* (2007: 8)

Okumus (2001, 2003) empirically developed a comprehensive implementation framework, which investigates the nature and components of implementation process, as depicted in Figure: 2.8. In his study, two strategic decisions were carried out in two international hotel groups via in-depth semi-structure interviews, observation and documentation analysis. Based on the previous literature, the author identified ten variables where the initial conceptual framework was found to be useful as it grouped key variables together and illustrated their roles when implementing strategic decisions. Okumus (2001, 2003) grouped the variables into four groups, namely strategic content, internal and external context, strategic process, and outcomes. Three new variables were identified namely: multiple project implementation, organizational learning, and external companies.

Figure 2.8: The Implementation Framework

External context

Environmental uncertainty: in the general and task environment

Internal context

Organisational structure (Formal, informal structure and political issues)
Organisational cultural (Tradition, values, and standards)
Organisational Learning (Ability of the implementers to learn from the project process)

Strategic Process

Operational planning (project initiation, planning, preparation and activities)
Resource, time, information and competences)
Informal, top-down, bottom-up and external
training and incentives)
Mentoring and feedback (formal, informal, top-down, bottom-up, lateral)
External Partners (provide knowledge and assists in competences)

Strategic Content

Strategic Decision
Multiple project implementations

Outcomes

Tangible and intangible
outcomes

Source: Okumus, (2001: 329)

So far the key and widely utilized conceptual and empirical implementation frameworks in the strategic implementation management literature are introduced and reviewed in this chapter. The next section critically evaluates and reviews the chosen framework to be utilized in this particular study.

2.5. RATIONALISING THE CHOSEN FRAMEWORK FOR THIS STUDY

As the studies presented in the preceding section shows, each study indicates different number and types of variables and various titles are given to similar variables (Okumus, 1999). For example, communication is called interactions (Skivington and Daft, 1991), information systems (Schmelzer, 1992) and selling the strategy (Hambrick and Cannella, 1989). As the existing studies in the literature indicate, strategy formulation is referred to as strategy, business strategy, intended strategy, market strategy, new strategy and strategic decision. In addition, some frameworks have a starting point which is generally strategy formulation (Hambrick and Cannella, 1989; Hrebiniak, 1992; Hrebiniak and Joyce, 1984; Gaibraith and Kazanjian, 1986; Skivington and Daft, 1991; Stonich, 1982; Okumus, 2003), whereas some other frameworks such those proposed by Miller (1990), Schmelzer (1992), Waterman *et al.* (1980), do not specifically have a starting point when evaluating strategy implementation variables (Okumus, 2001). As illustrated in Tables 2.3 and 2.4, these frameworks generally refer to similar implementation variables. Also another similarity in these frameworks and studies are that most of them refer to similar variables, for example communication refers to involvement by Al-Ghamdi (1998), connection by Galbraith and Kazanjian (1986), and lastly coordination by Miller (1990). (Okumus, 2003).

Table 2.3: Conceptual Implementation Frameworks and Key Variables

| Author | Variables | |
|--------------------------------|--|--|
| Stonich (1982) | Formulation, structure, cultural, planning, resource allocation, people, outcome. | |
| Hrebiniak and Joyce (1984) | Formulation, structure, people, control and feedback. | |
| Galbraith and Kazanjian (1986) | Structure, people, planning, communication, outcome | |
| Hamhavek and Cannella (1989) | Structure, people, rewards, resource allocation internal and external communication. | |
| Thomson and Strickland (1995) | Formulation, structure, cultural, planning, resource allocation, people, communication | |

Table 2.4: Empirically Developed or Tested Frameworks and Key Variables

| Author | Variables |
|-------------------------------------|---|
| Waterman, Peter, and Philips (1980) | Formulation, structure, cultural, resource allocation, people, communication. |
| Pettigrew and Whipp (1991) | Structure, cultural, resource allocation, people, environment, leadership. |
| Skivingtonand Daft (1991) | Formulation, structure, resource allocation, people, communication. |

| | |
|----------------------------|---|
| Schmelzer (1992) | Context variables (environment, formulation, structure, cultural) process variables (operational planning, people, resource allocation, |
| Bryson and Bromiley (1993) | Environment, cultural, resource allocation, people, communication, outcomes. |
| KargarandBlumenthal (1994) | Formulation, structure, cultural, planning, resource allocation, people, communication. |
| Miller (1997) | Environment, Formulation, Structure, cultural operational planning, resource allocation, outcomes. |
| Al-Ghamdi (1998) | Environment, resource allocation, communication, leadership, people. |
| Okumus (2001, 2003) | Content, context, process, outcomes. |
| Ali &Hadi (2012) | Personnel, personale, management, external factors, organisation. |

In general, it has been noticed (Okumus, 2001) that most of the pervious frameworks group the similar variables into different categories, which can be summarised as follows:

- (i) Context, process and outcomes (Bryson and Bromiley, 1993);
- (ii) Planning and design (Hrebiniak and Joyce, 1984);
- (iii) Realisers and enablers (Miller, 1990; 1997);
- (iv) Content, context, process (Pettigrew, 1995a; 1991);
- (v) Framework and process components (Skivington and Daft, 1991);
- (vi) Context and process (Schmelzer, 1992; Schmelzer and Olsen, 1994);
- (vii) Contextual, system and action levers (Miller and Dess, 1996);
- (viii) Content, context, process, Outcome (Okumus, 2001, 2003).

As mentioned before, each study indicates different number and types of variables and various titles are given to similar variables; no matter which variable should be included in which group rather it suggested from previous studies.

Based on the previous studies as the Table 2.3 and Table 2.4 illustrate ten key variables can be identified as essential variables; these are strategy formulation, environmental uncertainty, organisational structure, culture, operational planning, communication, resource allocation, people, control and feedback, and outcome. It should be noted that these variables should not

be limited when implementing strategy but rather they are suggested from the previous studies; and should be treated as indicative.

With the exception of Okumus's framework (2001, 2003) most of the previous frameworks investigate the variables and problems of implementation without providing an in depth discussion of how these variables interrelate and influence the process (Okumus, 2001, 2003). In line with this statement, Miller (1990: 78) states that "Although there would appear to be several studies of implementation, few of them provide much in the way of an explicit explanation of the implementation process".

While the preceding discussion presented the conceptual and empirically tested models in detail, it should be noted that this study considers Okumus's (2001 and 2003) frameworks as the most comprehensive framework, as it takes into account the entire structure beyond and pre-process. Therefore, it provides a comprehensive framework through an integrated systemic understanding. As the empirical testing of this framework indicates, it is a validated but also an efficiently integrated framework. Thus, after discussing various frameworks, Okumus' framework remain the most eligible one to be considered in this study, due to recognising the entire stakeholders and their natures in decision making and strategy making process.

Although, this study critically re-modifies Okumus's framework in which it groups the identified factors into five groups. Each group of factor will have different rules in the implementation process as they all integrated in the entire dynamic system toward achieving the desired outcomes. None of these groups of factors should be separated from other group or taking more value than other group. As mentioned in the survey conducted, there must be a fit between all variables in order for the strategy to be successful. However, this study adopts a different approach and decides to empirically test the impact of this framework and of its success factors on the Saudi conventional and Islamic banking sector.

2.6. SUMMARY

While a survey of the available studies is presented in this research, a number of other studies are available in the literature, which has not been mentioned here. This is due to the fact that they do not necessarily contribute to the development of the literature or they were not systematised adequate enough through an integrated understanding. As mentioned before, many studies in various fields such as biology, history, economics, mathematics, politics and

military history have been influenced and therefore contributed to the literature of strategic management. This chapter, as a result, has reviewed or illustrated a body of work in order to cover the most essential reading in the field of strategic management implementation. It should be noted that the researcher is more concerned with the process aspects of how the strategies are made, the factors influence the outcomes, and the role of religion in Islamic bank's strategy implementation, since they are key areas of interest, than with the content of strategic formulation. This chapter, however, is expected to contribute to the literature in relation to the strategy implementation by providing a detail survey of the strategic management schools, a grip of significant theoretical and empirical frameworks which are formed or reformed to this study's framework, and it also collected the essential factors influencing the strategy implementation on the other hand.

The next chapter will consequently discuss the methodological issues in an attempt to understand the nature of this study.

Chapter 3

RESEARCH METHODOLOGY AND PROCESS

3.1 INTRODUCTION

The previous chapter, being the literature review chapter, presented various aspects of strategic management and the implementation stage including the factors, which may influence the implementation process and the criteria used to measure outcomes of these decisions. In addition, it looked at various perspectives of both conceptual implementation frameworks and empirical implementation frameworks with their implications.

This chapter presents the research methodology, research strategy, and research methods used in this study including research method in relation to collecting and analysing of data. Considering the research methodology and strategies, this chapter also presents the justification for adopting both a mixed method research approach for collecting and analysing the data that include qualitative and quantitative methods.

This chapter consists of five sections as follow; research methodology and approach, research strategy and design, research methods including, administration and procedure of the analysis, and data collection and data analysis,

3.2 RESEARCH METHODOLOGY AND STRATEGY

Research methodology has been defined as “a way of systematically solv[ing] the research problems” (Kumar, 2008:5). It can, therefore, be understood as a science of studying how research is conducted, which involves the research procedures and the rational behind it in order to solve the research problem. However, research method, as discussed later, is defined as the tools and techniques that the researchers use for conducting their study (Kumar, 2008). Thus, the scope of research methodology is broader than the research methods, as the former refers to research framework within which the research is located as well referring to the philosophical underpinnings of the research.

The functional benefits of research methodology are identified by Easterby- Smith *et al.* (2002), as cited in Saunders (2007:102), as follows:

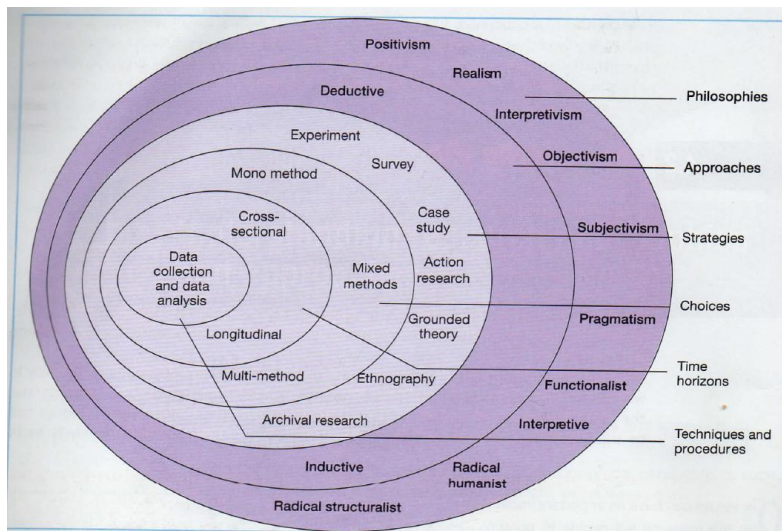
(I) Enabling the researchers to take a more informed decision about their research design and strategy.

(ii) Helping the researchers to decide which strategy is more worked than others.

(iii) Enabling the researches to adopt a desire research design or strategy to cater for constraints (*e.g.* limited access to data).

To gain better understanding of the research methodology, one needs to understand the philosophical underpinning of the relevant knowledge creation process. In highlighting this, Saunders *et al.* (2007) state that the research philosophy that the researches adopt contains assumptions and those assumptions underpin the research approach, strategy and methods. In other word, there should be a rational and logical way to choose the approach and methods based on the philosophy of knowledge. In defining this, it should be noted that epistemology, ontology and axiology are essential elements of any research methodology, and each contains important assumptions and differences that influence the research approaches. This can be seen in the research process identified by Saunders *et al.* (2007) in Figure 3.1.

Figure3.1. Understanding Research Philosophy and Approaches



Source: Saunders (2007:102)

As being the one of the essential foundational aspect of research philosophy, epistemology has four branches namely: positivism, realism, interpretivism, and pragmatism. Contrary to positivism which deals with facts and natural science (Bryman, 2004), Saunders *et al.* (2007) states interpretivism as an epistemological method that recommends the necessity for the

researcher to understand differences between humans as social actors. As he explains interpretivism comes from two intellectual traditions; phenomenology and symbolic interactions. While the former refers to the way in which we make sense of the world around us, the latter refers to the continuing process of interpreting the world around us.

As for the research philosophy of this research, this research attempts to answer certain questions, as identified in Chapter 1. To answer these questions the researcher need to interact with the people who are involved in such practices, and understand and interpret their behaviours, opinions and perceptions. In this thesis, the researcher needs to explore and understand the factors influencing the process of strategic decision making and its implementation, and affecting the outcomes of these decisions as well as understanding the role of the socio-cultural-religious factors on successful implementation. Thus, the challenge here for the researcher is to enter the social field and understand and then interpret the informants' interpretation of the implementation process from their point of view. So the researcher's task here is not only interpreting the information, but also understanding and then interpreting the informants' interpretation of this social reality. Hammersley (1989: 165) states that qualitative research "document the world from the point of view of the people studied". This leads to what, as Bryman (2004) states, 'double interpretation' in the sense of interpretation of the events by participants and re-interpretation of what is conveyed to the researcher. Consequently, social constructivism through interpretivism as an epistemological method is considered as the most applicable qualitative research methodology for this research in order to answer the research questions.

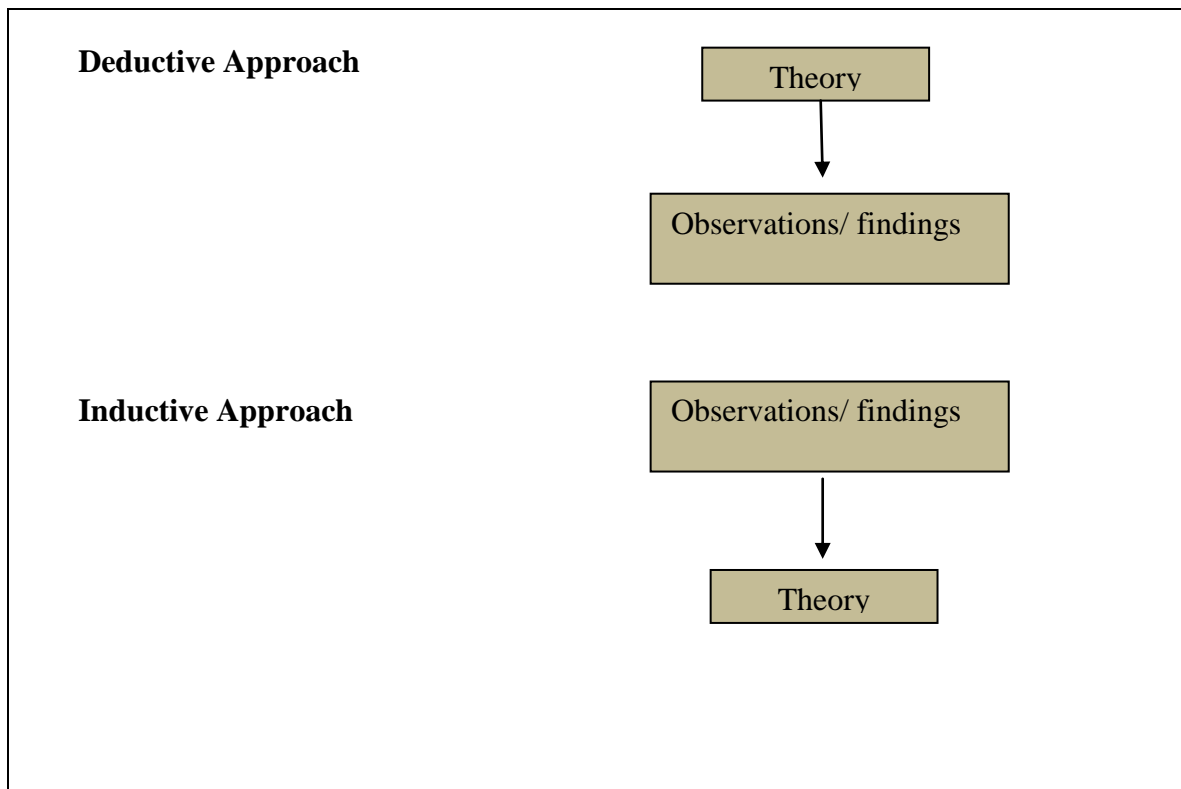
The literature indicates that there are two types of research methodology, namely quantitative and qualitative research methodologies (Kumar, 2008). The former is a process that involves observations which are quantifiable that can be converted into numbers, by contrast the latter is a process to observe or investigate world that relate and affect human behaviours (Kumar, 2008). As Bryman (2004) states qualitative research emphasizes words and meaning rather than numbers. Since this study aims at exploration of a particular social reality through interpretative research, it is located within qualitative research methodology, as it analyses individual perceptions, opinions and understanding.

The important features of the qualitative methodology are (Bryman, 2004): first, it suggests an inductive view of the relationship between the theory and research, whereby the former is generated from the latter; second, an it is expressed within epistemological position described

as interpretivist; and hence, it focuses on the understanding of the social world through interpretation of that world by its participants. Such features further substantiates as to why qualitative research methodology should be considered as the most suitable methodology for this research in terms of measuring and revealing participants' perceptions and understanding their opinions on the implementation process of the strategic decisions, as this research assumes that implementation process is shaped by social constructivism.

As mentioned, qualitative research methodology mostly evolves around inductive reasoning or inductive research methodology. In exploring this, Bryman and Bell (2003) and Saunders (2007) state that social research related to behavioural aspects can be conducted by using either deductive or inductive research approach. The deductive strategy is defined by Bryman and Bell (2003: 570) as “an approach to the relationship between theory and research in which the latter is conducted with the reference to hypotheses and ideas inferred from the former”. In contrast, the inductive research strategy is defined as “an approach to the relationship between theory and research in which the former is generated out of the latter”, Meaning that, an inductive approach views the relationship between the theory and social research, whereby the former is generated or derived from the latter” (Bryman and Bell, 2003: 569). In other words, the theory would follow the observed and the analyzed data rather than vice versa as with deduction (Saunders *et al.*, 2007). Figure 3.2 shows the process of both induction and deduction approach.

Figure3.2. Deductive and Inductive Research Strategy



Source: Bryman (2004:10)

If the research concerns to understand why something is happening rather than describing what is happening, inductive research strategy is considered as the most efficient strategy rather than deductive strategy (Saunders *et al.*, 2007). Since in this study, the research is constructed through the data collected from the field, it is considered within inductive strategy. However, since the collected data are utilized to verify a particular model, it can be considered within deductive strategy. Thus, model testing refers to deductive method, while articulating the opinions and perceptions of the participants through interview analysis should be considered as the inductive strategy side of this research.

In sum, the strategy implementation process is far complex in organizations. Thus, better understanding of this requires interacting with those people involved in such a process, which ultimately will lead to answer the research questions. Thus, this study is seen to be qualitative in terms of methodology but inductive and deductive at the same time in nature.

3.3 RESEARCH DESIGN

The research design is significant aspect of any research, which needs to be carefully considered, because it is a step-stone toward focusing on the process of research strategy with the aim of turning the research questions into a research project (Robson, 2002). It should be noted that the determination of the research philosophy and approach that the researcher has chosen influence the way how research questions will be answered subsequently as it informs the choice of the research strategy, and research methods (Saunders *et al.*, 2007). In other words, in selecting the research design, the researcher should link them to the research aim and questions as aforementioned in the first section. In other words, the research aim and questions help the researcher to identify the appropriate research design. For example ‘how’ and ‘what’ is happening in the implementation process of the strategic decisions in banks lead this study to be exploratory study.

The research design is defined by Saunders *et al.* (2007:131) as “the overall plan for one’s research” by indicating as to how the research is actually conducted in the field, which is determined by research questions and research methodology.

Based on Figure 3.1, it seems that the issue of the research philosophy and research design through research strategy are strongly interrelated. To determine the most suitable research design, the researcher needs to look at his research aim and questions first. The way the researcher asked his questions and place his objectives would results in which type of the research study, tools, and methods he could most beneficiary to use (Saunders, 2007). As Yin (2003) cited in Saunders *et al.* (2007), the most important issue is not to assign the research design, but whether the selected design will enable the researcher to answer the researches’ questions and reach the main objectives.

There are three main types of research designs: exploratory, descriptive, and explanatory (Saunders *et al.*, 2007; Robson, 2002), which are depicted in Table 3.1 with their main characteristics.

Exploratory study concerns “to find out what is happening in unknown or little –understood situation; to seek new insights; to assess phenomena in new light which is almost more suitable for flexible design such as case study” Robson, (2002: 59). Thus, this type of research helps to clarify the nature of the problem or help to overcome unavailability of information on the research problem, which is possible by searching of the literature and

interviewing experts in the field (Saunders *et al.*, 2007). The main features and advantages of the exploratory study are that its flexibility and adaption to change in the direction of research aim, as the researcher by entering the social field, he or she experiences new insights that occur which results in new data in return (Saunders *et al.*, 2007).

Table 3.1: Types and Research Design Strategy

| Research Design Strategy | Author | Description |
|--------------------------|---|---|
| Experimental | Baily, 1978; Bryman and Bell,2007; Saundreset al.; 2007 | A design used to determine whether any changes in one or more independent variables affect one or more dependent or outcomes variables. |
| Cross-sectional. | Bryman and Bell; 2007 | A data collection process which is based on more than one case and at a single point of time. |
| Longitudinal | Bryman and Bell; 2007 | A process of collection data used to measure the occurring at several point in time. |
| Case study | Bryman and Bell;2007 | An in depth contextual analysis of similar situation that occurred in other organization. |
| Comparative | Bryman and Bell;2007 | A use of identical methods for two or more contrasting cases. |
| Survey | Saunders <i>et al.</i> ,2007 | A adopting of standard format to gather huge date and analyze them statically. |
| Action research | Saunders <i>et al.</i> , 2007) | A process where the researcher involved directly with the organization to address the issues more closely. |

Source: Mohd-Karim (2010: 137)

Descriptive research design, on the other hand, is defined as aiming ‘to portray[ing] an accurate profile of persons, events or situations which may requires extensive previous knowledge of the situation to be researched or described, so that you know appropriate aspects on which to gather information” (Robson, 2002: 59). Every research, one way or another, involves description of a clear picture of the research problem in which the

researcher attempts to collect data prior to the actual data collection (Saunders, 2007), which is also true for this study.

As for explanatory study, it concerns to establish causal relationship between variables (Saunders *et al.*, 2007) or search for explanation of a problem, patterns relating to the phenomenon, or relationship between aspects of the phenomenon but not necessarily in causal relationships or hypotheses testing (Robson, 2002).

In addition to these categories or types of research designs, it should also be noted that there are two types of research design: fixed and flexible design. The former is more appropriate when the research can pre-specify the design in which the data are almost numbers (quantitative), the latter evolves during data collection in which the data in the form of words (qualitative) (Robson, 2002). Case studies are types of the flexible research strategy, which the researcher can use to develop details and intensive knowledge about a small number of cases (Robson, 2002). Case study has been defined as “a strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real life context using multiple sources of evidence” (Robson, 2002: 178).

As for the research presented in this study, it is a combination of both an explorative comparative case study and descriptive study. It is constructed as an exploratory study, because the research attempts to explore the factors influencing the implementation of strategy process on the strategic decision making by discovering how these factors have been influenced and the consequences of this implementation process on the strategy outcomes. As far as the researcher is aware, there is a lack of comprehensive knowledge and/or little understanding of this phenomenon. As for comparative research design nature, the researcher attempt to establish different patterns governing the strategy implementation in conventional and Islamic banks in the case of Saudi Banks. It is worth to mention at this stage that this is the first study conducted to investigate the nature of the implementation process in Islamic banking sector, and thus this study makes a substantial contribution to the existing research. As for descriptive research design nature of the research, this would be an extension of the exploratory study. In order to adopt a descriptive study, the research has to explore the phenomena or the problem being studied prior to the collection of the data and then statistically describe it (Saunders *et al.*, 2007).

Considering that this research collected the necessary primary data through survey method in a comparative multiple case study manners on different organizational levels of the Islamic and conventional banks in Saudi Arabia, this study should also be considered as survey based design. Since the aim of this research is to explore the factors influencing the implementation process of the strategic decision making in Islamic and conventional banks, the use of comparative multiple case studies (Islamic vs. conventional) in different organizational levels or units or embedded case study as Saunders *et al.* (2007) called it, for the purpose of generalisation the findings, is vital in order to gain a rich understanding of how these factors have influenced the implemented strategies and what are the consequences of such implementing.

3.4 RESEARCH METHOD

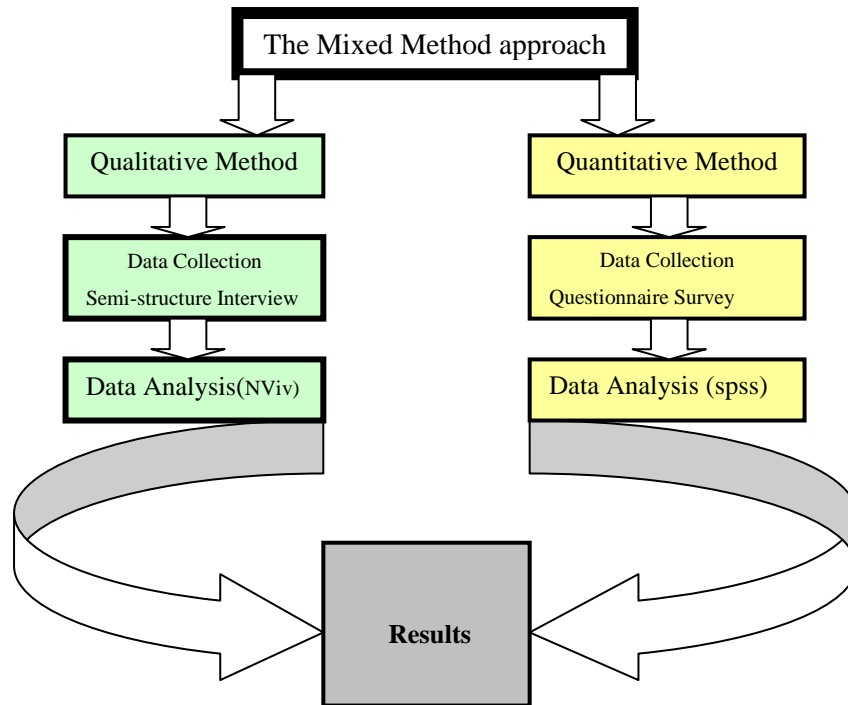
In the previous sections, the researcher has identified the research methodology, research strategy and research design used in this study. As for research methods, they are distinct in which it is referred to all methods that researcher use during the course of studying the identified research problem. In other words, research method in terms of collecting and analyzing data refers to techniques the researcher use for conducting their study (Kumar, 2008; Saunders *et al.*, 2007). Therefore, the researcher has to carefully select the most appropriate techniques to obtain the preferred data for analyzing procedures.

There are mainly two methods for data collecting and analyzing techniques namely quantitative and qualitative research approach. Quantitative research method is defined as “the approach that is predominantly used as a synonym for any data collection techniques (such as questionnaires) or data analysis procedure (such as graphs or statistics) that generates or uses numerical data. In contrast, qualitative research method is used predominantly as a synonym for any data collection techniques (such as interview) or data analysis procedure (such as categorizing data) that generates or uses non-numerical data” (Saunders *et al.*, 2007: 145).

It is a vital for researchers to carefully choose the type of method to be used in order to meet his research objectives. Considering the aims and objectives that are identified in Chapter 1, this study chooses to adopt mixed method research namely quantitative and qualitative research method as an effective method of responding to the research aims. This helps to overcome the weaknesses of each research method by utilizing the strengths of each research

method but also helps to respond to the nature of the research questions and data (Smith, (1975, cited in Saunders *et al.*, 2007; and Bryman, 2004).

Figure 3.3: The Mixed Method Approach



As stated by Petter and Gallivan (2004), mixed method provides new insights and mode of analysis, which unlikely to arise in the form of one method use; therefore, as suggested by Kaplan and Duchon (1988), different results from each method allow the research to develop more complex, and potentially novel explanations of a phenomenon.

Considering the nature of the study being explorative comparative case study within qualitative research methodology, mixed method is, thus, considered as the most suitable approach, as described in Figure 3.3. In this study, thus, the qualitative method is used in collecting and analysing data through semi-structured interviews, and quantitative method is used through survey questionnaires as support tool in order to understand and explore the factors affecting the strategy implementation process in the Islamic and conventional banks in Saudi Arabia.

In the light of the research design, as an exploratory study, the research decided to use interviews to explore the situation to understand the implementation process in rich content and context provided by the opinion, perceptions and understanding of the participants. Using

quantitative method through a questionnaire technique also provided an opportunity to explore the views of the participants on the implementation process through a descriptive and analytical data analysis process.

There are two ways to use the mixed method research: either at the same time (parallel), or one after the other (sequential), but they should not be combined. In this study qualitative method through semi-structured interviews is used first, as it provides through complex case potential explanation about the implementation process as well as it paves the way toward understanding the situation prior to collecting the data through the questionnaire. In other words, the data collected from the exploratory interviews is used to design the questionnaire as a second method for data collecting. Therefore, triangulation would be other advantage of conducting mixed method as suggested by (Saunders *et al* 2007: 202; Thurmond 2001); and hence, in this study “semi-structured interviews [are considered as] a valuable way of triangulating data collected by a questionnaire” Saunders *et al.* (2007: 202). In addition, it is considered that questionnaires generate visible and better results when used with other techniques such as in-depth interviews (Jankowicz, 2004), which is the research process followed in this study.

It should be noted that there are three possible outcomes of conducting mixed method research: first, the results may lead to the same conclusion. In other words, the results of using quantitative and qualitative methods are capable of converge, which implies verification as a benefit. Second, the results might be related to different objectives but they could be complement to each other thus can be used to supplement each other; third the results from quantitative and qualitative can be divergent or contradictory (Erzberger and Prein, 1997). All these benefits were observed in the conduct of this study, as the findings from different methods used in this study verified each other.

Since research method involves collection and analysis of the assembled data in line with the research methodology, strategy and design as explored above, these two aspects of research method as applied in this study is further detailed in the following sections.

3.5. Research Method: Data Collection

No matter what type of data the researcher decides to utilize as long as these data will lead in answering the research questions and ultimately reach its objectives. Nevertheless, there are mainly two sources of data to be utilized, namely primary data and secondary data. The

nature of research in this study necessitates using primary data. Based on the nature of the data that the researcher aims to collect, various instruments are available to use such as semi-structured interviews and questionnaires to collect primary data.

Before discussing the primary data collection process, it should be noted that research also used secondary data in the form of reports and data provided by various outlets with the objective of:

- (i) Providing an overview of Saudi conventional and Islamic banks;
- (ii) Selecting the sampling of the banks in this study;
- (iii) Selecting the case studies as part of the research strategy.

These secondary data is primarily gathered from bank magazines, newspapers, online articles and bank websites as well as already published reports from the Central bank of Saudi Arabia (The Saudi Arabian Monetary Agency¹) to provide an overview of Saudi Arabian Banks for which the researcher has gained access to data archive.

As mentioned above, this study utilises mainly primary data for the data collection through mix methods approach (qualitative and quantitative) in the form of interviews and survey questionnaire. The following sections describe the primary data collection process in detail.

It should be noted that the unit of analysis in this study consists of ‘cases’ related to the implementation of strategic decision making in sampled Saudi Arabian conventional and Islamic banks. In other words, strategy implementation ‘cases’ developed and implemented by Saudi Arabian conventional and Islamic banks were selected to be explored in detail in responding to the research aim and objectives of this research.

3.5.1 Primary Data Collection Method: Interviews

As a qualitative method of data collection, interview is the most widely utilised method in qualitative research (Bryman, 2004). Different typologies research interviews are listed in the literature, such as structured interviews, semi-structured interviews, and unstructured interviews, standardized interviews, and non- standardized interviews (Saunders *et al.*, 2007), respondent interviews, and informant interviews (Robson, 2002), each of which are suitable

¹ Available at <http://www.sama.gov.sa/sites/samaen/ReportsStatistics/statistics/Pages/Home.aspx>

for a particular type of research aim and strategy as shown in Table 3.2, which depict different types of interviews in relation to each of the research categories. In overall, there are three main types of interviews: structured interviews, semi-structured interviews, and unstructured interviews or in depth-interviews (Saunders *et al.*, 2007).

Table 3.2: Research Designs and Relevance of Questionnaire Types

| | Exploratory | Descriptive | Explanatory |
|-----------------------|-------------|-------------|-------------|
| Structured Interviews | | ++ | + |
| Semi-structured | + | | ++ |
| Unstructured | ++ | | |

Note: + = less frequent, ++ = more frequent.

Source: Saunders *et al.* (2007: 15)

Structured interviews are based on the predetermined or standardized set of questions. Thus, each participant gets the same questions, while their answers by nature will be different, and hence is not categorized. This type of interviews is more frequent utilised in descriptive studies. It should be noted that structured interviews are different than the questionnaires, as the latter provides codified, categorized and pre-determined answers to chose from.

Unstructured interviews are informal, in which the researcher uses to explore a general area of interest. As opposed to the structured interviews, there is no predetermined set of questions, as the researcher is open freely to conduct a discussion on the topic related to the research question. In the process of conducting the unstructured interviews, it may happen that similar questions might be posed due to the subject matter.

Semi-structured interviews contain a set of themes and questions to be covered during the interview, time and questions could be expand to cover areas in more details which varies from one interview to another depending on the interviewee and organizational context (Saunders *et al.*, 2007).

As regards to the use of interviews in this research, at the outset, semi- structured interviews were considered to be conducted in collecting primary data. However, the nature of the field and the environment determined whether this could be feasible from different organizations (Islamic banks and conventional banks). In the case of Islamic banks, there are some questions related to the religious factors, which may not to be asked in the other organizations

for which they were omitted. However, it should be noted that some points in respect to religious factors presented themselves while interviewing non-Islamic banks.

In terms of process, the interviews were conducted face-to-face between the researcher and participants, and the interviewee sample was the decision makers in formulating the strategy and implementation in the sampled banks. The next section presents more details in respect of the interview design, content, sample, pilot study, and the administration and procedure of the interviews.

3.5.1.1 Interview design

The design of the interview was carried out after carefully by reviewing most of the key reading related to the strategic implementation and project management literature including journal articles, research reports and existing PhD theses. It should be acknowledged that the majority of the questions were adopted from previous studies related to strategy implementation.

The interview questions were designed in relation to the nature of the implementation process in the strategic decision making, factors influencing the implementation process including religious factors, and the outcomes to measure the successful implementation. The interview questions, hence, are shaped by a particular theoretical framework chosen; and also they are identified in relation to the research question posed at the outset of this study. However, the literature provided an informed understanding in identifying the interview questions.

3.5.1.2 Interview content

The interview consists of 21 main questions, with some of the questions being broken down to sub-sections. Then the interview is divided into four main themes or sections namely introduction, implementation phase, implementation factors phase, and the outcomes related to a particular case strategy. Thus, such categories of the questions help to code and analyze the data much easier and also to check that every aspect of the research objectives was responded.

The details and description of each section as follow:

Section one in the interview process deals with the main objective of the interview and also looked for personal information from the participants.

Section two consists of four questions, namely 2, 3, 4, and 5 aiming to understand the strategic decision that has been implemented in the respective banks by referring to the sequences of the decisions including the parties involved in this particular decision.

Section three focuses on the implementation variables that may influence the process. These variables are grouped into four groups namely external environment variables, organisational variables, process and personal variables, and project variables and outcomes.

(i) Process variables are consisted of resource allocation, people, communication, involvement, commitment and motivation, control and feedback.

(ii) External variables are focused on economic, financial, and social business.

(iii) Organizational variables are organizational structure, cultural, religion, and top management support.

(iv) Project variables are priority, size and value, time, and project technical tasks.

Section four includes questions like the outcomes of the implementation of strategic decision, which includes tangible and intangible outcomes.

It should be noted that interview schedule in terms of questions are available in Appendix 1.

3.5.1.3 Interview pilot study

The pilot study was a small experiment designed to test the concepts and the themes of the research questions including interviews prior to conducting the interviews in the field. The objective was to improve the quality and the efficiency of the questions and test the reliability and validity of its results. It also aimed at identifying any deficiencies before the actual data collection takes place, which can then be addressed and corrected if necessary.

It should be noted that prior to the pilot study, the researcher has read the concepts and the themes of the questions with his supervisors many times as well as with two other professors at Durham University Business School for these purposes.

The pilot study was planned to be conducted in Saudi Arabia, but the researcher had the opportunity to meet his target participants in London due to a summit, which was attended by the representatives of more than five Saudi banks. As a good advantage and through the

researcher's own social networks, the researcher called the expected participants a few times over the phone and emails prior to the meetings.

Although it was possible to conduct the pilot study over the phone, due to the disadvantages associated with participants with lower ranking and an inappropriate communication, decision was made to conduct the interviews face-to-face as a part of the researcher's strategy to prepare the ground for actual interviews.

This pilot study was conducted with five interviewees regarding five different strategic decisions from different level of the organization in March 2011. It should be noted that two decision makers were participants in two strategic decisions implementation process from Islamic banks and three decision makers were interviewed from three conventional banks on three strategic decisions peculiar to the respective banks.

In terms of administering the interviews, the average time of the interviews was half hour. The interviews helped to identify the cases related to the implementation of strategic decision from each of the sample bank, which has been essential for the conduct of this study.

The pilot study, therefore, addressed a number of vital issues prior to the actual data collection as part of the research strategy. Importantly, it helped to overcome the uncertainty over the cases to be selected, which is rather an essential part of the research.

It should also be noted that pilot study could render other benefits in relation to the operational aspect of the research as Van *et al.* (2001) state:

- (i) Confirm that the questions given to the interviewee are clear and understandable;
- (ii) Provide the researcher confidence in carrying out the interviews in a proper manner and right procedure;
- (iii) Make sure that the researcher can perform the task well;
- (iv) Check the reliability and validity of results;
- (v) Detect any ceiling effect (*e.g.* if a question is too difficult or too easy);
- (vi) Check that the time and level of interview are appropriate;
- (vii) Help to design the survey questionnaires based on the interviews data collecting;

- (viii) Help to identify new issues or variables that have not been recognized before;
- (ix) Provide comprehensive understanding of the nature of the phenomena in complex context.

Pilot studies might also have a number of limitations such as the possibility of making inaccurate predications or assumptions and problems arising from contamination and findings Van *et al.* (2001). However, the pilot study conducted for this research helped the researcher to benefit from personal contacts and also establish relationship with those bank's managers which has great assist in the actual interviews and importantly identify the cases of strategy implementation from the respective banks.

3.5.1.4 Administration and procedure of the interviews

The data collected through interviews were consisted of the narratives of the top management level who responded to the questions regarding their perceptions and opinions towards specific strategy implementation, which has recently been implemented by the bank, especially with regard to the approach of the strategy implementation, factors influencing the strategy process and outcomes, and the role of religion in Islamic bank.

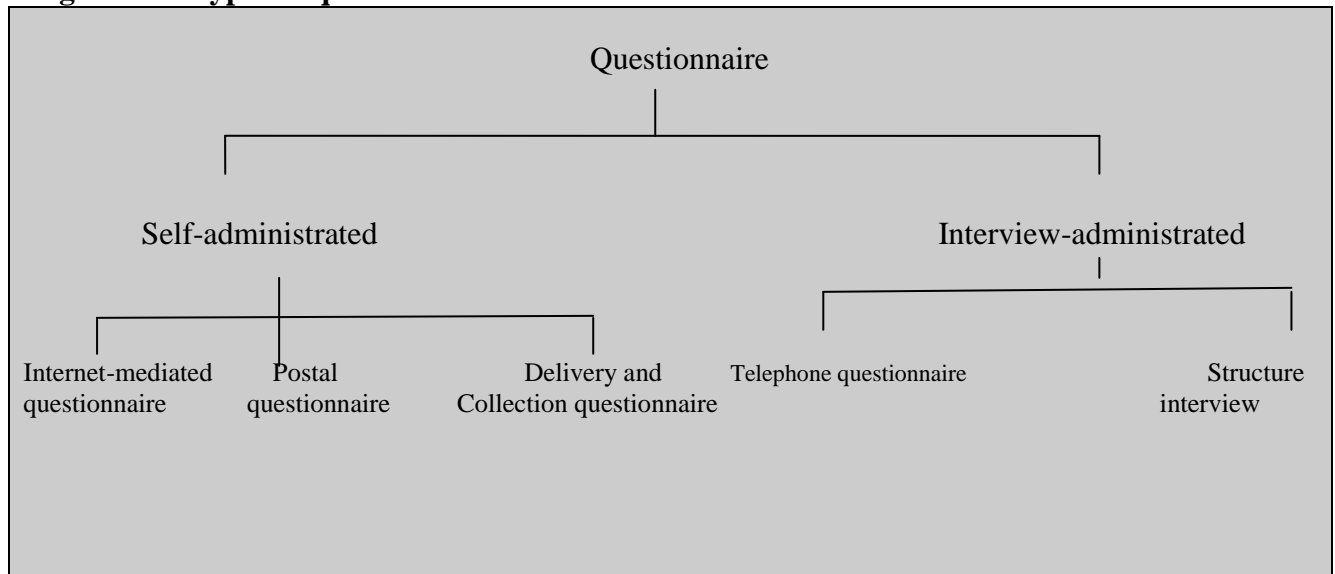
When approaching the banks for this study, a main criterion was that each bank should have a recent case study related to the implementation of strategic decision, which are detailed in Appendix 3. The strategic decisions considered were expected to fulfil the following criteria: (i) that they are strategic in nature; (ii) that they have shaped the future of the bank; (iii) that they have contributed to the performance of the bank. As mentioned before, those managers have been chosen carefully; as they must have in-depth experience related strategic case as well as has been involved in such a case.

3.5.2 Primary Data Collection Method: Questionnaire

The greatest use of questionnaire is made within the survey techniques in the business research which commonly but not always deductive in nature, it is often used to answer what, where, how much and how many questions for that tend to be used for the exploratory and descriptive research (Saunders *et al.*, 2007). As depicted in Figure 3.4, there are two types of questionnaire exist: self-administrated questionnaire which are often completed by the respondents, and the interview-administrated questionnaires which are recorded by the

interviewer on the basis of each respondent's answer. As Saunders *et al.* (2007) state that self-administrated questionnaire is more economical way, authorized by people, easy to distribute, explain, and understand. Thus, all of the questionnaires utilized in this study are by self-administrated style in terms of delivering and collecting by hand

Figure 3.4: Types of questionnaire



Source: Sunders *et al.* (2007:357)

The following sections present more details in respect to the questionnaire design, content, pilot study, sample selection, and administration and procedure of the questionnaires.

3.5.2.1 Questionnaire design

The design of the questionnaire was carried out after carefully reviewing and collecting of the interview data. The interview results helped to identify solid case studies in order to formulate the questionnaire questions. Conducting face-to-face semi structured interviews helped to generate four case studies in which each case has its own narrative as the detailed description for each case is provided in Chapter 6. However, the sample of the questionnaire includes only individuals from three case studies, as the participants from the fourth case study based on new system installation refused to take part in the questionnaire survey.

The questionnaire questions were therefore designed to collect data in relation to tackle the following research objectives; (1) factors influencing the implementation process, (2) religious factors, and (3) the outcomes of the successful implementation. The questionnaire questions, hence, are shaped by a particular theoretical framework chosen; and also they are identified in relation to the research question posed at the outset of this study. However, the

literature provided an informed understanding in identifying the questionnaire questions. In order to achieve these objectives, the questionnaire was designed to obtain employees' perceptions regarding three case studies, and it is consisted of five sections as the following section details.

3.5.2.2 Questionnaire content

Using the same categories as the interview, the questionnaire consists of 21 main questions, with some of the questions being broken down to sub-sections. Then the questionnaire is divided into four main themes or sections namely introduction, implementation phase, implementation factors phase, and the outcomes related to the case strategy. Thus, such categories of the questions helped to code and analyze the data much easier and also helped to check that every aspect of the research objectives was responded. The questionnaire items were developed in many previous studies such as Miller (1990, 1997) and Alghamdi (1998), modified after consideration of a pilot survey in order to reflect the special characteristics of Saudi Bank environment, for example, using items related to realign and cultural aspects. Full questionnaire schedule can be seen in Appendix 2.

The details and description of each section of the questionnaire schedule as follow:

Section one aims to gather demographic data regarding background information for the participants.

Section two contains the implementation stage questions in relation to particular strategic case studies, which mainly focuses on the length and level of involvement of the strategy implementation.

Section three refers to the factors that tend to influence the implementation process and outcomes including the religion factors.

Section four refers to the level of successful strategy implementation in terms of completion, satisfaction and achievement.

3.5.2.3 Sample selection

This study conducted in a field setting within the banking sector in Saudi Arabia. The banking sector in Saudi Arabia is appropriate for this study due to its high information

intensity. This research, hence, is focused on a single industry, the banking sector, to be tested for control. The homogenous nature of the research being within one industry generates better control of the industry context. The use of one industry, comparatively, will have a smaller sample size, which has a greater or more substantial effect in return; on the other hand weak results could be an issue in a multi-industry context (Pollalis, 2003). Thus, focusing on a single industry should not be perceived as a constraint; on the contrary, due to the homogenous nature, it is more efficient to establish patterns that rule the defined variables, which may not necessarily be valid in the case of multi sector analysis due to the comparison of different sources of impact.

The Saudi Arabian Monetary Agency, which acts as the country's central bank reports that the Saudi banking sector consists of 29 banks, of which 19 are local banks and 10 are foreign banks. The banks in the Saudi Arabian financial system can further be classified into four types; thus, Saudi Arabian financial system has six commercial, seven investment, four specialist, and four Islamic banks. While commercial banks are considered as the main banks in Saudi Arabia, investment banks are those which allow the investors to invest their money locally. In addition, specialist banks are those which operate in the field of industry, agriculture and housing investment. Finally, Islamic banks are those, which apply Islamic rules and regulations to their products and services.

Since this study aims at exploring the implementation process of strategic decisions in conventional and Islamic banks, the sampled banks must be embedded in Arabic-Islamic culture so that the culture-specific factors can also be determined in terms of affecting their operations, management style, and strategies. Therefore, only ten banks were selected which fit into this criteria, which consisted of six commercial and four Islamic banks. In other words, foreign banks are ruled out of the sample due to their particular management style and operations as distinct from Saudi Arabian cultural construct of management style.

The sample of the interview schedule consists of the top management who were involved in the strategic decision of ten conventional and Islamic banks in Riyadh, Saudi Arabia. Six conventional banks and four Islamic banks were invited to take part in this research, for which a request letter was sent by the researcher's sponsor to all banks. A copy of these letters is available in Appendix 8.

The main criteria of choosing the sample was that those top managers have to have a great impact and experience of the strategic decision making as well as have the ability of declaring the required information.

Six banks had refused to participate in the study, due to the risk of disclosure of the information associated with the research topic, while the researcher explained to those banks the confidentiality of their participation. Consequently, two Islamic banks and two conventional banks were finally positively responded to the researcher's request and therefore agreed to participate in this study. Chapter 6 provides further details regarding the strategic case study in both the sampled Islamic and conventional banks.

It should be noted that limited time and the complexity of obtaining access to the whole population, who are performed the role of decision making in implementing the strategies made it so difficult to enlarge the sample. This might be because of the sensitivity of the research topic as well as other limitations, which are discussed in the last chapter of this thesis.

3.5.2.4. Introduction to the Sampled Banks

As mentioned above, there are two Islamic banks in our sample. However, due to the confidentiality purposes we call bank 1 and 2 or Islamic Bank 1 (IB1) and Islamic Bank 2 (IB2). Their particularities are as follows:

IB1: Islamic Bank 1 is considered as on the largest and longest established Islamic bank in the world with more than 50 years of financial and banking experience, in which meeting the *Shari'ah* compliance requirements has been essential in its attempt of operating as an modern banking with the core values of Islam. The headquarter of the bank is in the capital city of Riyadh. The bank's total asset is 288 billion Saudi Riyal (76.8 billion US Dollar) and capital of 16.25 billion Saudi Riyal with more than 8,400 workforces worldwide, 500 branches, 3,600 ATM machines and 28,000 sale points. Consequently, it has the largest customer base in the entire kingdom (further details can be gathered from the bank's main website).

IB2: Islamic Bank 2 has been established in 1975 and started its operations and services in late 1976 after takeover of the National Bank of Pakistan (NBP) branches in Saudi Arabia, yet the NBP still owns the 5.83% of the bank. This bank is considered as a leading and fast progressive Islamic bank in the Kingdom known for its modern innovative products and

services, which are compatible with Islamic law and rules. The bank's total asset as of September 2014 was 65,632 billion Saudi Riyal (17.5 billion US Dollar) 71 branches, 511 ATM machines with more than 2,284 workforces. It should be noted that the bank had operated as a conventional bank until 2007, when it was fully converted to Islamic bank adhering to *Shari'ah* law.

As for the sampled conventional banks, again due to the confidentiality purposes, we call these banks as CB1 and CB2.

CB1: This bank was established in 1953 as the first and most prestigious bank in Saudi Arabia and one of the leading financial institutions in region. In terms of international efforts, the bank owns 66.27% of Turkiye Finans (a Turkish Islamic bank). The bank's total asset is 435.5 billion Riyals (116 billion US Dollar) as of 2014, 341 branches, 2,650 ATM machines with more than 7,500 employees. In 2004, the bank has announced its intention to open Islamic windows in all its branches and networks and converted most of its businesses to adhere to Islamic law and principles.

CB2: Conventional bank 2 is one of the largest and most recognised banks in Saudi Arabia providing its retail and cooperate customers a wide range of full services and products including financial investment. This bank is known for its participation in many governmental projects in oil and petrochemical industries in order to help infrastructure projects. So this bank is very close to the government's main strategic planning which contribute large portfolios for the bank. The bank's capital as of 2014 was 30,000 billion Saudi Riyals (8 billion US Dollar), 318 branches with almost 5,500 employees worldwide. The bank has international branches in the USA and UK, where it provides international modern financial services designed to serve its customers and meet their requirements.

3.5.2.5 Administration of the questionnaire process

After the interviews with the top managers of each bank participated, it was obvious by the researcher to determine which employees and departments are involved with the implementation of the strategic project. Those top managers of the interviews have assisted the researcher to access to those departments and hence got authorisation to distribute the questionnaire survey among them.

The questionnaire survey took place at the same place, where the interviews conducted that is in the head-quarter of each bank as well as some other branches. Hence, the sample of the questionnaire survey schedule consists of the middle management who is involved in the strategic implementation process in the sampled banks. This process is known as snowball sampling, where the researcher sent by the interviewers to those middle managers in their respective banks to distribute the questionnaires among them. Approval to gain access to those managers can be found in Appendix 8.

3.5.2.6 Questionnaire distribution

As mentioned before, the sample of the questionnaire includes only individuals from three case studies, as the participants from the fourth case study (new system installation) refused to take part in the questionnaire survey. Consequently, 260 questionnaires were distributed among the three banks; 120 were returned as complete, to be used in the analysis. The response rate, hence, is approximately 46%.

3.6 Research Method: Data Analysis

The previous section provided a detailed presentation of the data collection process, while this section discusses the statistical tools that are used to analyse the data collected through three methods. The methods used are summarised in Table 3.3; and explained further below.

Table3.3: Summary of Data Collection: Methods, Size and Analysis

| Data Collection method | Sample size | Type of analysis and tests |
|----------------------------|-----------------------|--|
| Semi-structured interviews | 8 | NVivo qualitative analysis, themes and coding. |
| Questionnaire survey | 120 | Reliability, Correlation, Factor analysis, Mann-Whitney Test, Liner Regression |
| Secondary data | Reports and newspaper | Manual analyse |

3.6.1. Questionnaire Data Analysis Methods

Data obtained from the questionnaires was analyzed using the SPSS statistical package programme. The identified relationships between variables and outcomes were tested using correlation and regression techniques with the objective of analysing the main dimensions of the process and their association with the main outcomes. This action is expected to prove the

effectiveness of the process pursued by the banks in question within the formulated theoretical model for this study.

In addition to regression analysis, the following tools and analysis techniques are used:

Reliability and correlation analysis

The internal reliability of questionnaire data is essential to ensure efficient findings. DeVellis (2003: 31) defined reliability as “a fundamental issue in psychological measurement; reliable instrument is one that performs in consistence and predictable ways”. He further explains that in order for the scale to be reliable, the scores should bring true state for the variables being assessed. The more the score a study obtain, the more reliable the study’s scale is. One of the most well-known analyses to measure consistencies is Cronbach’s Alpha, which was used in this research to ensure the reliability of the data.

To find out the relationship between variables, correlation analysis is used to find the extent by which two or more variables move together, as well as locating the change on one variable on the other. Importantly, as Roben, (2003) states that this is not a cause and effect relationship analysis which means we cannot infer that one variable causes another.

Descriptive Statistics

The aim of descriptive statistics is to summarise the data collection sample more specifically is to define the general patterns that govern the data or the participants’ perceptions by using descriptive statistics in the forms of frequency measures. However, the next chapter provides details for this quantitative technique.

Normality Test

In order to perform inference statistics it is necessary to find out if the data collected through questionnaire is normally distributed for both bank types. In addition, it is also important to recognize if the variability (variance) of the variables is the same or homogeneous. It should be noted that in order to conduct a parametric test, the data must satisfy both the normality and homogeneity of tests; otherwise a non-parametric test will be more suitable for the data. More details and results will be available in chapter five.

Mann-Whitney Test

As part of the non-parametric test, Mann-Whitney U test is considered in order to compare Islamic and conventional sample means on continuous measure to identify the impact of certain variables on the given statements.

Liner Regression

After establishing that there is a relationship between the variables by using different techniques, the liner regression aims to locate the nature and the size of these variables' impact on the dependent variables through regression analysis. In order to build a good regression model, the data must satisfy certain assumptions as follow: all observations should be independent; the data should not suffer from multicollinearity. That is the independent variables should not be highly related; residual from model fit should follow a normal distribution; and each of the independent (explanatory or predictor) continuous variables should have a linear relationship with the dependent (response or outcome) variable. Based on this, the assumptions are confirmed therefore the regression model is established to locate the size of the impact of the independent variables or sub-factors (if any) on the outcome factors as dependent variable, which follows a normal distribution.

3.6.2 Interview Data Analysis Method

In analysing the interview data, this study opted for narrative analysis with the objective of substantiating the results developed through questionnaire analysis. Georgakopoulou (2006) comments that narrative analysis is usually described as rich and diverse context that support the systematic research which will ultimately establish sort of connection between its interactional features and site engagement. Moreover, May (2004) states that narrative is an umbrella for an eclectic mix methodology approach, as this study, argue that data collecting in social science should return to the fundamental aspects of this technique.

In conducting the narrative analysis, the data were loaded onto NVivo qualitative analysis software, after remarkable phrase and concepts were identified and key themes were recognized in the area of strategy implementation. Moreover, the NVivo helps in generating thematic analysis by coding and searching for interrelated themes. The qualitative analysis software can increase the transparency of the methodological rigour and also help in increasing the accessibility for an in-depth analysis (Saunders *et al.*, 2007).

The narrative analysis is organised in a thematic manner based on the emerging and pre-determined categories.

3.6.3 Secondary Data Analysis

This study mainly used primary data analysis including questionnaire survey and semi-structured interviews. The secondary data has side by side an important role that facilitated and gave deep understanding to the researcher main objectives. For the sake of this study, the secondary data has been collected using documentary and multiple source including organizational reports, newspaper and governmental reports in the form of the Saudi Arabian Monetary Agency.

3.7. Summary

This chapter presented the research methodology, research strategy, and research methods used in this study including research method in relation to collecting and analysing of data. The adopted methodology is justified by the interpretivism as an epistemological view as it is seen as the most applicable qualitative research methodology for this research. Therefore, inductive approach seems to be the appropriate approach for this study but supported by deductive strategy as well.

In order to develop details and intensive knowledge about the nature of strategy implementation, the study adopted a flexible research strategy in the form of case studies, which involved an empirical investigation of the phenomenon being studied of both Islamic and conventional banks. Considering the research methodology and strategies, the justifications for adopting both a mixed method research approach for collecting and analysing the data that include qualitative and quantitative methods are being presented. The semi-structured interviews, although small size, helped to establish a comprehensive details of strategic case studies and provided in-depth understanding of the research problem, while the questionnaire survey targeted the middle management level who are involved with case studies discussed during the interviews sample.

The administrative and procedure analysis including pilot study, sample selection and types of tests are justified in this chapter.

Moreover, by using documentary and multiple source including organizational reports, newspaper and governmental reports in the form of the Saudi Arabian Monetary Agency, the secondary data has been utilized as well in order to provide deep understanding to the researcher main objectives prior to the primary data collected.

The current chapter, however, extended the knowledge of methodological issues in relation to strategy implementation by using mixed methods approach, which has been never used in previous researches as far as the researcher is aware.

Based on the detailed research methodology, the next chapters provide empirical results generated from the collected data.

Chapter Four

DESCRIPTIVE ANALYSIS OF QUESTIONNAIRE SURVEY

4.1 INTRODUCTION

The preceding chapters provided the literature survey and methodology chapter by acting as the foundational chapters for the rest of the research. This chapter being the first empirical chapter presents the descriptive analysis of the questionnaire survey with the objective of defining the general patterns that govern the data or the participants' perceptions by using descriptive statistics in the forms of frequency measures. In presenting the results, in addition to the general results, the bank type results are also provided to identify the differences of the participants in their responses to the questions in a comparative manner.

In doing so, Section 4.2 presents the background information for participants, while Section 4.3 provides the length and capacity of strategy involvement. Section 4.4 describes the factors influencing the strategy implementation; and Section 4.5 statistically describes the strategy outcomes. Lastly, Section 4.6 presents a brief summary of this chapter.

4.2 FINDINGS ON THE DEMOGRAPHICS OF THE PARTICIPANTS

This section presents the findings in relation to the demographic nature of the participants of the questionnaire survey. The first demographic issue is the experience of the participants at their current position.

Experience

The experience of the participants in terms of how long they have been working with the sampled banks is shown in Table 4.1, which shows that over 13% of participants have been with the bank less than one year, while over 24% of participants have been with the bank for 1-5 years. Similarly another 24% have been with the bank for 5-10 years, while 20% of the participants have been with their respective bank for 10-15 years and just over 18% have been with the bank for over 15 years. As can be seen, the proportion of participants in each experience category is not statistically significant with Chi-square value = 4.91, degree of freedom (df) = 4 and $p=0.296$ (>0.05) implying that there is not much difference in the distribution of the data from one category to the other as can be seen from different year classification.

Table 4.1: Experience of Participants

| Experience | Frequency | Percent |
|--------------------|-----------|---------|
| Less than one year | 16 | 13.3 |
| 1-5 years | 29 | 24.2 |
| 5-10 years | 29 | 24.2 |
| 10-15 years | 24 | 20.0 |
| More than 15 | 22 | 18.3 |
| Total | 120 | 100.0 |

In comparing the experience of participants in their current post, Table 4.2 provides a breakdown according to bank types, namely conventional and Islamic banks.

Table 4.2: Experience of Participants

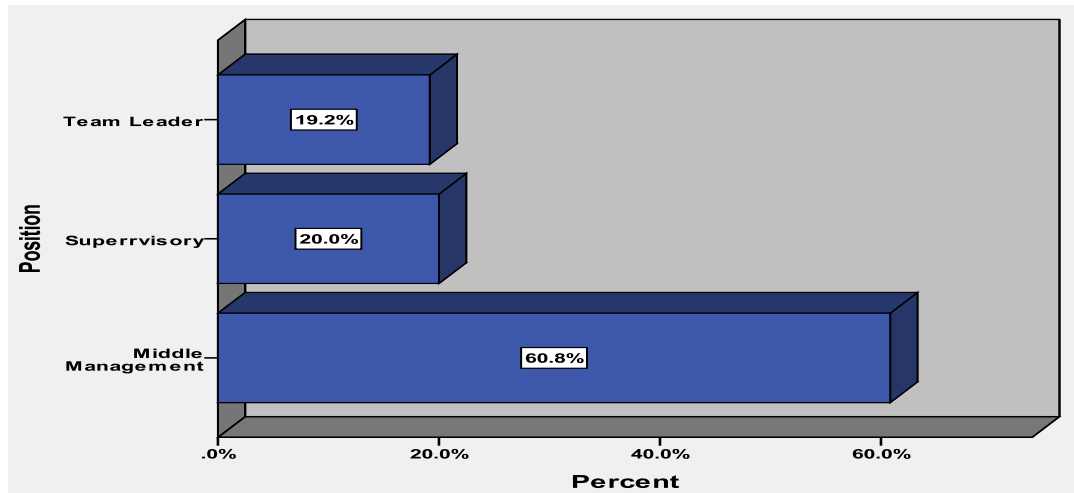
| Bank | Experience | Frequency | Percent |
|-------------------|--------------------|------------|---------|
| Islamic Bank | Less than one year | 9 | 10.7 |
| | 1-5 years | 20 | 23.8 |
| | 5-10 years | 20 | 23.8 |
| | 10-15 years | 18 | 21.4 |
| | More than 15 | 17 | 20.2 |
| | Total | 84 | 100.0 |
| Conventional Bank | Less than one year | 7 | 19.4 |
| | 1-5 years | 9 | 25.0 |
| | 5-10 years | 9 | 25.0 |
| | 10-15 years | 6 | 16.7 |
| | More than 15 | 5 | 13.9 |
| | Total | 36 | 100.0 |
| Chi-Square | | $X^2=4.91$ | |
| | | $df= 4$ | |
| | | $p=0.296$ | |

The results in Table 4.2 show the distribution of the participants according to Islamic and conventional banks. For the Islamic bank samples, the proportion of participants in each experience category is not statistically significant with Chi-square value = 4.93, and with degree of freedom (df) = 4 and $p=0.295$ (>0.05). Similarly for the conventional bank, the proportion of participants in each experience category is also not statistically significant with Chi-square value = 1.78, degree of freedom (df) = 4 and $p=0.777$ (>0.05). In other words, in each bank type, the distribution of the participants according to their experience shows a similar pattern, which is obvious in Table 4.2.

Position

The distribution of the position of the participants is shown in Figure 4.1. As can be seen, 61% of the participants are at middle management level, 20% at supervisory level and just over 19% at team leader level. There is strong statistical evidence that there is a higher proportion of middle manager compared to supervisors and team leaders; which is evidenced in Chi-square value = 40.85, degree of freedom (df) = 2 and $p=0.01$ (<0.05).

Figure 4.1: Position of Participants



In comparing the Islamic and conventional banks, Table 4.3 depicts the distribution of the position of participants according to Islamic and conventional banks.

Table 4.3: Participants' Professional Position

| Bank | Position | Frequency | Percent |
|-------------------|-------------------|-------------|---------|
| Islamic Bank | Middle Management | 59 | 70.2 |
| | Supervisory | 15 | 17.9 |
| | Team Leader | 10 | 11.9 |
| | Total | 84 | 100.0 |
| Conventional Bank | Middle Management | 14 | 38.9 |
| | Supervisory | 9 | 25.0 |
| | Team Leader | 13 | 36.1 |
| | Total | 36 | 100.0 |
| Chi-Square | | $X^2=40.85$ | |
| | | $df= 2$ | |
| | | $p=0.01$ | |

For the Islamic banks, the proportion of participants in each position category is statistically significant with Chi-square value = 51.93, $df = 2$ and $p=0.001$ (<0.05), which implies that there is a statistically significantly higher proportion of middle management (70.2%) compared to supervisory (17.9%) or team leader (11.9%) positions. For the conventional bank the proportion of position in each category is not statistically significant with Chi-square value = 1.67, $df = 2$ and $p=0.558$ (>0.05). Thus, comparative analysis of the data set reveals the differences among the participants in relation to their position according to the position.

In an attempt to provide further meaning to the data, the ‘experience’ and ‘position’ variables are further explored through cross-tabulation. As the results in Table 4.4 shows, there is no significant association between experience and position of participants in the bank, which is evidenced by the statistical results: Chi-square value = 13.25, $df = 8$ and $p=0.10$ (>0.05).

Table 4.4: Cross tabulation of Experience and Position

| | | | Position | | | Total |
|------------|--------------------|-----------|-------------------|-------------|-------------|--------|
| | | | Middle Management | Supervisory | Team Leader | |
| Experience | Less than one year | Frequency | 7 | 2 | 7 | 16 |
| | | % | 43.8% | 12.5% | 43.8% | 100.0% |
| | 1-5 years | Frequency | 18 | 5 | 6 | 29 |
| | | % | 62.1% | 17.2% | 20.7% | 100.0% |
| | 5-10 years | Frequency | 17 | 5 | 7 | 29 |
| | | % | 58.6% | 17.2% | 24.1% | 100.0% |
| | 10-15 years | Frequency | 18 | 5 | 1 | 24 |
| | | % | 75.0% | 20.8% | 4.2% | 100.0% |
| | More than 15 | Frequency | 13 | 7 | 2 | 22 |
| | | % | 59.1% | 31.8% | 9.1% | 100.0% |
| Total | | Frequency | 73 | 24 | 23 | 120 |
| | | % | 60.8% | 20.0% | 19.2% | 100.0% |
| Chi-Square | | | $X^2=13.25$ | | | |
| | | | $df= 8$ | | | |
| | | | $p=0.10$ | | | |

As for the disaggregated data, as can be seen in Table 4.5, there is no statistically significant association between experience and position of participants in Islamic bank (Chi-square value = 6.97, $df = 8$, $p=0.540$) or conventional bank (Chi-square value = 10.31, $df = 8$, $p=0.258$). Table 4.5 further shows the distribution of the variables in a cross-tabulated manner, which

evidences the close nature of the distribution of the data evidencing non-significance of the distribution.

Table 4.5: Cross Tabulation of Experience and Position by Bank

| Bank | | | | Position | | | Total |
|-------------------|------------|--------------------|-----------|-------------------|-------------|-------------|--------|
| | | | | Middle Management | Supervisory | Team Leader | |
| Islamic Bank | Experience | Less than one year | Frequency | 5 | 2 | 2 | 9 |
| | | | % | 55.6% | 22.2% | 22.2% | 100.0% |
| | | 1-5 years | Frequency | 15 | 2 | 3 | 20 |
| | | | % | 75.0% | 10.0% | 15.0% | 100.0% |
| | | 5-10 years | Frequency | 12 | 4 | 4 | 20 |
| | | | % | 60.0% | 20.0% | 20.0% | 100.0% |
| | | 10-15 years | Frequency | 15 | 3 | 0 | 18 |
| | | | % | 83.3% | 16.7% | .0% | 100.0% |
| | | More than 15 | Frequency | 12 | 4 | 1 | 17 |
| | | | % | 70.6% | 23.5% | 5.9% | 100.0% |
| | Total | | Frequency | 59 | 15 | 10 | 84 |
| | | | % | 70.2% | 17.9% | 11.9% | 100.0% |
| Conventional Bank | Experience | Less than one year | Frequency | 2 | 0 | 5 | 7 |
| | | | % | 28.6% | .0% | 71.4% | 100.0% |
| | | 1-5 years | Frequency | 3 | 3 | 3 | 9 |
| | | | % | 33.3% | 33.3% | 33.3% | 100.0% |
| | | 5-10 years | Frequency | 5 | 1 | 3 | 9 |
| | | | % | 55.6% | 11.1% | 33.3% | 100.0% |
| | | 10-15 years | Frequency | 3 | 2 | 1 | 6 |
| | | | % | 50.0% | 33.3% | 16.7% | 100.0% |
| | | More than 15 | Frequency | 1 | 3 | 1 | 5 |
| | | | % | 20.0% | 60.0% | 20.0% | 100.0% |
| | Total | | Frequency | 14 | 9 | 13 | 36 |
| | | | % | 38.9% | 25.0% | 36.1% | 100.0% |
| Chi-Square | | | | $X^2=10.31$ | | | |
| | | | | $df= 8$ | | | |
| | | | | $p=0.258$ | | | |

4.3 FINDINGS ON THE STRATEGY IMPLEMENTATION STAGE

The previous section provided the initial findings on the demography of the data set, while this section attempts to present the initial findings for the strategy implementation section of the questionnaire. The participants were selected from Islamic and conventional banks, and the study managed to locate a number of strategy implementation cases as detailed in chapter six, this section presents the findings on implementation stage by delving into various levels and variables as identified in the questionnaire through the review of the existing literature.

Length of Involvement

Initial issue is to locate the length of the involvement of the respective participants at the strategy implementation cases. In other word we need to know the time period of the employee involving in such strategic case. As depicted in Figure 4.2, 50% of the participants were involved in the implementation process for less than a year, nearly 37% were involved for 1-3 years and only 13% were involved for 3-5 years. No participant was involved for 5-10 years or for more than 10 years. Comparing the proportion in each category, there are significantly more participants in the less than a year group compare to the other groups. The statistical test results indicate statistical significance with Chi-square=24.80, $df=2$ and $p=0.001$ (<0.05). This result comes from comparing the proportions of each categorise.

Figure 4.2: Length of Involvement

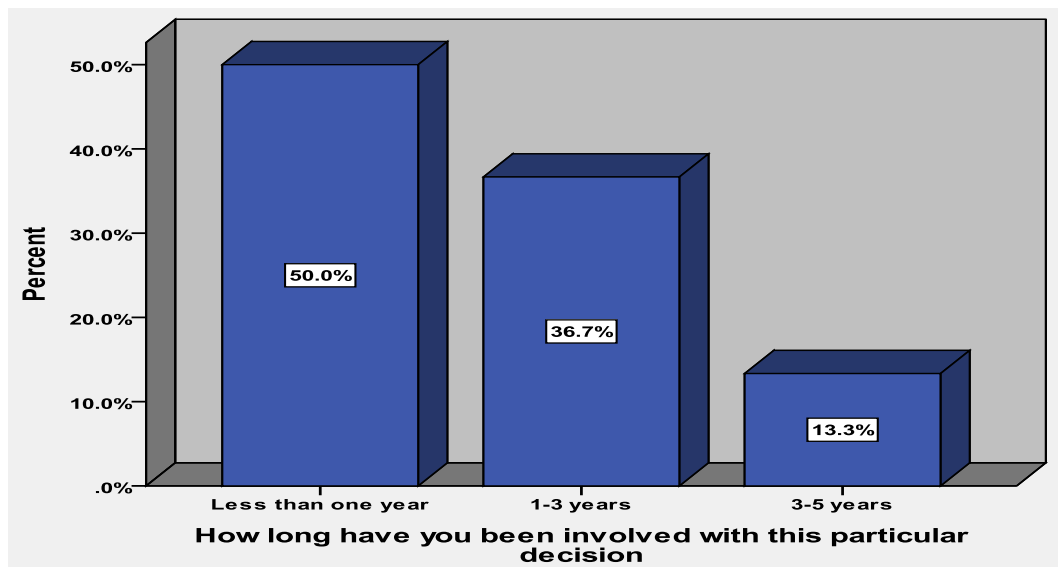


Table 4.6 shows the length of involvement of participants by banks. For Islamic banks, the proportion are statistically significantly different with Chi-square=27.64, $df=2$ and $p=0.001$ (<0.05). There are significantly more participants in the less than a year group compare to the other groups. For Conventional bank the proportion are no statistically significantly different with Chi-square=1.17, $df=2$ and $p=0.558$ (>0.05).

Table 4.6: Length of Involvement by Bank

| Banks | | Frequency | Percent |
|-------------------|--------------------|-------------|---------|
| Islamic Bank | Less than one year | 46 | 54.8 |
| | 1-3 years | 31 | 36.9 |
| | 3-5 years | 7 | 8.3 |
| | Total | 84 | 100.0 |
| Conventional Bank | Less than one year | 14 | 38.9 |
| | 1-3 years | 13 | 36.1 |
| | 3-5 years | 9 | 25.0 |
| | Total | 36 | 100.0 |
| Chi-Square | | $X^2=27.64$ | |
| | | $df= 2$ | |
| | | $p=0.01$ | |

Capacity of Involvement

As for capacity involvement in the strategic case studies in terms of the involvement of manager, implementer and team leader are shown in figure 4.3. The involvement of manager is higher at 44% followed by implementer at nearly 37% and then team leader with just over 19%. As for length of involvement, there are differences in the proportion of participants with regards to capacity of involvement, *i.e.* the proportion of manager is higher compare to that of team leader (Chi-square=11.85, $df=2$ and $p=0.003 <0.05$).

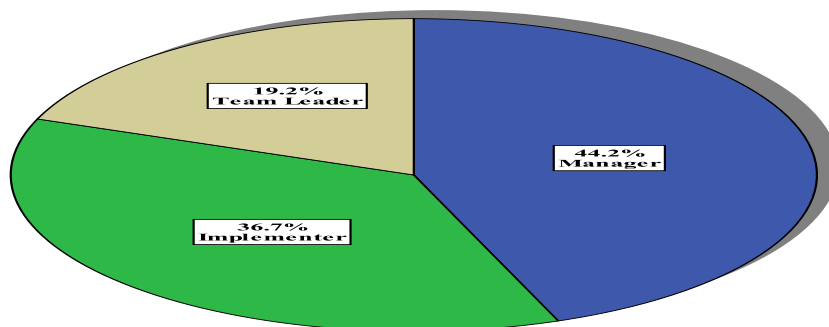


Figure 4.3: Capacity of Involvement

Table 4.7 further shows the capacity of involvement of participants by banks. For Islamic banks, the proportion are statistically significantly different with Chi-square=17.64, df=2 and $p=0.001$ (<0.05), which implies that there are significantly more manager (53.6%) compare to implementer (29.8%) or team leader (16.7%). For Conventional bank the proportion are also statistically significantly different with Chi-square=1.17, df=2 and $p=0.046$ (<0.05) implying that there are significantly more implementer (52.8%) compare to manager (22.2%) or team leader (25%).

Table 4.7: Capacity of Involvement by Bank

| Banks | | Frequency | Percent |
|-------------------|-------------|-------------|---------|
| Islamic Bank | Manager | 45 | 53.6 |
| | Implementer | 25 | 29.8 |
| | Team Leader | 14 | 16.7 |
| | Total | 84 | 100.0 |
| Conventional Bank | Manager | 8 | 22.2 |
| | Implementer | 19 | 52.8 |
| | Team Leader | 9 | 25.0 |
| | Total | 36 | 100.0 |
| Chi-Square | | $X^2=17.64$ | |
| | | $df= 2$ | |
| | | $p=0.01$ | |

Relating Length and Capacity of Involvement

In order to develop a better understanding, in this section length of work experience in the organisation was cross tabulated with capacity of involvement. As can be seen in Table 4.8, for the whole sample there is no statistically significant association between length and capacity of involvement as evidenced with the statistical results: Chi-square value =1.11, $df=4$ $p=0.89$ (>0.05).

Table 4.8: Cross tabulation Length and Capacity of Involvement

| | | | IN WHAT CAPACITY HAVE YOU INVOLVED WITH THIS PARTICULAR DECISION | | | TOTAL |
|---|--------------------|-----------|--|-------------|-------------|--------|
| | | | MANAGER | IMPLEMENTER | TEAM LEADER | |
| HOW LONG HAVE YOU BEEN INVOLVED WITH THIS PARTICULAR DECISION | LESS THAN ONE YEAR | FREQUENCY | 28 | 21 | 11 | 60 |
| | | % | 46.7% | 35.0% | 18.3% | 100.0% |
| | 1-3 YEARS | FREQUENCY | 18 | 16 | 10 | 44 |
| | | % | 40.9% | 36.4% | 22.7% | 100.0% |
| | 3-5 YEARS | FREQUENCY | 7 | 7 | 2 | 16 |
| | | % | 43.8% | 43.8% | 12.5% | 100.0% |
| TOTAL | | FREQUENCY | 53 | 44 | 23 | 120 |
| | | % | 44.2% | 36.7% | 19.2% | 100.0% |
| Chi-Square | | | $X^2=1.11$ | | | |
| | | | $df= 4$ | | | |
| | | | $p=0.98$ | | | |

As can be seen in Table 4.9, for the whole sample there is no statistically significant association between length and capacity of involvement for Islamic (Chi-square value = 2.14, $df=4$, $p=0.715$) or Conventional banks (Chi-square value = 3.12, $df=4$, $p=0.570$).

Table 4.9: Cross tabulation Length and Capacity of Involvement by bank

| Banks | | | | In what capacity have you involved with this particular decision | | | |
|-------------------|---|--------------------|------------|--|-------------|-------------|--------|
| | | | | Manager | Implementer | Team Leader | |
| Islamic Bank | How long have you been involved with this particular decision | Less than one year | Frequency | 23 | 15 | 8 | 46 |
| | | | % | 50.0% | 32.6% | 17.4% | 100.0% |
| | | 1-3 years | Frequency | 17 | 8 | 6 | 31 |
| | | | % | 54.8% | 25.8% | 19.4% | 100.0% |
| | | 3-5 years | Frequency | 5 | 2 | 0 | 7 |
| | | | % | 71.4% | 28.6% | .0% | 100.0% |
| | | Total | Frequency | 45 | 25 | 14 | 84 |
| | | | % | 53.6% | 29.8% | 16.7% | 100.0% |
| Conventional Bank | How long have you been involved with this particular decision | Less than one year | Frequency | 5 | 6 | 3 | 14 |
| | | | % | 35.7% | 42.9% | 21.4% | 100.0% |
| | | 1-3 years | Frequency | 1 | 8 | 4 | 13 |
| | | | % | 7.7% | 61.5% | 30.8% | 100.0% |
| | | 3-5 years | Frequency | 2 | 5 | 2 | 9 |
| | | | % | 22.2% | 55.6% | 22.2% | 100.0% |
| | | Total | Frequency | 8 | 19 | 9 | 36 |
| | | | % | 22.2% | 52.8% | 25.0% | 100.0% |
| Chi-Square | | | $X^2=3.12$ | | | | |
| | | | $df= 4$ | | | | |
| | | | $p=0.570$ | | | | |

4.4 FACTORS INFLUENCING STRATEGY IMPLEMENTATION

This section presents the findings on the factors influencing strategy implementation. It should be noted that questionnaire included likert scale based questions for this section. In other words, on a 5-point-scale, 1=strongly agree, 2=agree, 3=neutral, 4=disagree and 5=strongly disagree.

Resource Allocation

As part of the academic enquiry, the researcher asked the participants if all the necessary resources in any form were available when implementing the decision. The responses given by the participants are depicted in table 4.10, which shows that 30.8% of the participants selected strongly agree, 25.8% selected agree, 21.7% selected neutral, 12.5% selected disagree and 9.2% selected strongly disagree with the statement. The corresponding percentages for Islamic and Conventional banks are 36.9% vs. 16.7%, 31% vs. 13.9%, 17.9% vs. 30.6%, 10.7% vs. 16.7%, and 3.6% vs. 22.2% respectively. As the results indicate, a

significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the conventional bank with chi-square value of 18.34, df=4 and $p=0.001$ (<0.05).

Table 4.10: Availability of Resources

| | | | Availability of resources | | | | | Total |
|------------|-----------------------|-----------|---------------------------|-----------|-------------|--------------|----------------------|------------|
| | | | Strongl y agree | Agre e | Neutr al | Disagre e | Strongly disagree | |
| Ban ks | Islamic Bank | Frequency | 31 | 26 | 15 | 9 | 3 | 84 |
| | | % | 36.9% | 31.0 % | 17.9 % | 10.7% | 3.6% | 100.0 % |
| | Convention al Bank | Frequency | 6 | 5 | 11 | 6 | 8 | 36 |
| | | % | 16.7% | 13.9 % | 30.6 % | 16.7% | 22.2% | 100.0 % |
| Total | | Frequency | 37 | 31 | 26 | 15 | 11 | 120 |
| | | % | 30.8% | 25.8 % | 21.7 % | 12.5% | 9.2% | 100.0 % |
| Chi-Square | | | $X^2=18.34$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.001$ | | | | | |

The researcher also asked the participants to indicate the important of resources during the implementation stage on a 5-point-scale, where 1= Very important, 2=important, 3=neutral, 4=less important and 5=not important. The resources considered are financial, technology, human resources, time and administrative resources. A perception on each resource group is presented below.

Financial Resources

The responses given by participants for financial resources are shown on table 4.11. 36.7% of the participants selected very important, 30.8% selected important, 17.5% selected neutral, 6.5% selected less important and 8.3% selected not important. The corresponding percentages for Islamic and Conventional banks, respectively, are 45.2% vs. 16.7%, 33.3% vs. 25%, 16.7% vs. 19.4%, 2.4% vs. 16.7%, and 2.4% vs. 22.2% respectively. A significantly higher proportion of participants from the Islamic bank selected very important or important compared to the conventional bank with Chi-square value of 25.91, df=4 and $p=0.001$ (<0.05).

Table 4.11: Financial Resources

| | | | Financial | | | | | Total |
|------------|--------------------|------------|----------------|------------|----------|-----------------|----------------|--------|
| | | | Very important | Importa nt | Neutr al | Less importan t | Not importan t | |
| Ba nks | Islamic Bank | Frequenc y | 38 | 28 | 14 | 2 | 2 | 84 |
| | | % | 45.2% | 33.3% | 16.7 % | 2.4% | 2.4% | 100.0% |
| | Conventio nal Bank | Frequenc y | 6 | 9 | 7 | 6 | 8 | 36 |
| | | % | 16.7% | 25.0% | 19.4 % | 16.7% | 22.2% | 100.0% |
| Total | | Frequenc y | 44 | 37 | 21 | 8 | 10 | 120 |
| | | % | 36.7% | 30.8% | 17.5 % | 6.7% | 8.3% | 100.0% |
| Chi-Square | | | $X^2=25.91$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.001$ | | | | | |

Technology Resources

The responses given by participants for technology resources are shown on table 4.12, which show that 25% of the participants selected very important, 41.7% selected important, 21.7% selected neutral, 8.3% selected less important and 3.3% selected not important. The corresponding percentages for Islamic and Conventional banks, respectively, are 25% vs. 25%, 45.2% vs. 33.3%, 22.6% vs. 19.4%, 6% vs. 13.9%, and 1.2% vs. 8.3%. As the results indicate, there is no statistically significant difference in the proportion of participants from the Islamic bank compared to the conventional bank with Chi-square value of 6.74, $df=4$ and $p=0.150$ (>0.05).

Table 4.12: Technology Resources

| | | | Technology | | | | | Total |
|------------|-------------------|-----------|----------------|-----------|---------|----------------|---------------|--------|
| | | | Very important | Important | Neutral | Less important | Not important | |
| Banks | Islamic Bank | Frequency | 21 | 38 | 19 | 5 | 1 | 84 |
| | | % | 25.0% | 45.2% | 22.6% | 6.0% | 1.2% | 100.0% |
| | Conventional Bank | Frequency | 9 | 12 | 7 | 5 | 3 | 36 |
| | | % | 25.0% | 33.3% | 19.4% | 13.9% | 8.3% | 100.0% |
| Total | | Frequency | 30 | 50 | 26 | 10 | 4 | 120 |
| | | % | 25% | 41.7% | 21.7% | 8.3% | 3.3% | 100.0% |
| Chi-Square | | | $X^2=6.7$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.150$ | | | | | |

Human Resources

The responses given by participants for human resources are shown in table 4.13. As can be seen, 22.5% of the participants selected very important, 15.8% selected important, 46.7% selected neutral, 8.3% selected less important and 6.7% selected not important. The corresponding percentages for Islamic and Conventional banks are 17.9% vs. 33.3%, 16.7% vs. 13.9%, 54.8% vs. 27.8%, 7.1% vs. 11.1%, and 3.6% vs. 13.9% respectively. A significantly higher proportion of participants from the Islamic bank selected neutral compared to the proportion of participants from the conventional bank who selected neutral with Chi-square value of 11.24, $df=4$ and $p=0.022$ (<0.05)

Table 4.13: Human Resources

| | | | Human Resources | | | | | Total |
|------------|-------------------|-----------|-----------------|-----------|---------|----------------|---------------|--------|
| | | | Very important | Important | Neutral | Less important | Not important | |
| Banks | Islamic Bank | Frequency | 15 | 14 | 46 | 6 | 3 | 84 |
| | | % | 17.9% | 16.7% | 54.8% | 7.1% | 3.6% | 100.0% |
| | Conventional Bank | Frequency | 12 | 5 | 10 | 4 | 5 | 36 |
| | | % | 33.3% | 13.9% | 27.8% | 11.1% | 13.9% | 100.0% |
| Total | | Frequency | 27 | 19 | 56 | 10 | 8 | 120 |
| | | % | 22.5% | 15.8% | 46.7% | 8.3% | 6.7% | 100.0% |
| Chi-Square | | | $X^2=11.24$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.022$ | | | | | |

Time Related Resources

In this variable we aim to know how important the time given to each task. The responses given by participants for time resources are shown on table 4.14, which show that only 7.5% of the participants selected very important, 5.8% selected important, 10% selected neutral, 45.8% selected less important and 30.8% selected not important. The corresponding percentages for Islamic and Conventional banks are 6% vs. 11.1%, 2.4% vs. 13.9%, 4.8% vs. 22.2%, 50.0% vs. 36.1%, and 36.9% vs. 16.7% respectively. As the results indicate, a significantly higher proportion of participants from the Islamic bank selected less important or not important compared to the proportion of participants from the conventional bank who selected less important or not important with Chi-square value of 18.71, $df=4$ and $p=0.001$ (<0.05).

Table 4.14: Time Resources

| | | | Time | | | | | Total |
|------------|-------------------|-----------|----------------|-----------|---------|----------------|---------------|--------|
| | | | Very important | Important | Neutral | Less important | Not important | |
| Banks | Islamic Bank | Frequency | 5 | 2 | 4 | 42 | 31 | 84 |
| | | % | 6.0% | 2.4% | 4.8% | 50.0% | 36.9% | 100.0% |
| | Conventional Bank | Frequency | 4 | 5 | 8 | 13 | 6 | 36 |
| | | % | 11.1% | 13.9% | 22.2% | 36.1% | 16.7% | 100.0% |
| Total | | Frequency | 9 | 7 | 12 | 55 | 37 | 120 |
| | | % | 7.5% | 5.8% | 10.0% | 45.8% | 30.8% | 100.0% |
| Chi-Square | | | $X^2=18.71$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.001$ | | | | | |

Administrative Resources

The responses given by participants for administrative resources are depicted on table 4.15. As can be shown, 6.7% of the participants selected very important, 5.8% selected important, another 5.8% selected neutral, 30.8% selected less important and 50.8% selected not important. The corresponding percentages for Islamic and Conventional banks are 3.6% vs. 13.9%, 2.4% vs. 13.9%, 3.6% vs. 11.1%, 34.5% vs. 22.2%, and 56% vs. 38.9% respectively. As for time resources, a significantly higher proportion of participants from the Islamic bank selected less important or not important compared to the proportion of participants from the conventional bank who selected less important or not important with Chi-square value of 14.88, $df=4$ and $p=0.004$ (<0.05).

Table 4.15: Administrative Resources

| | | | Administrative | | | | | Total |
|------------|-------------------|-----------|----------------|-----------|---------|----------------|---------------|--------|
| | | | Very important | Important | Neutral | Less important | Not important | |
| Banks | Islamic Bank | Frequency | 3 | 2 | 3 | 29 | 47 | 84 |
| | | % | 3.6% | 2.4% | 3.6% | 34.5% | 56.0% | 100.0% |
| | Conventional Bank | Frequency | 5 | 5 | 4 | 8 | 14 | 36 |
| | | % | 13.9% | 13.9% | 11.1% | 22.2% | 38.9% | 100.0% |
| Total | | Frequency | 8 | 7 | 7 | 37 | 61 | 120 |
| | | % | 6.7% | 5.8% | 5.8% | 30.8% | 50.8% | 100.0% |
| Chi-Square | | | $X^2=14.88$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.004$ | | | | | |

4.4.1 Descriptive Statistics of Availability and Importance of Resources

The descriptive statistics of availability and importance of resources are shown on table 4.16. The availability of resources has a mean value of 2.43, standard error of 0.12 and standard deviation of 1.29. The mean value of 2.43 falls between agrees to neutral and it is closer to agree than neutral. For importance of resources the means for financial, technology, human resources, time and administrative are 2.19, 2.23, 2.61, 3.87 and 4.13 respectively. The corresponding standard error and standard deviation are shown on table 4.16. The ranking order of these items according to mean value is financial (2.19), Technology (2.23), availability of resources (2.43), human resources (2.61), time (3.87) and administrative (4.13). As can be seen, the participants put financial considerations in the first position when implementing strategic decision.

For Islamic banks, financial resources is ranked first with a mean value of 1.83, second is both availability of resources and technology with the same mean of 2.13, and third is human resources with a mean of 2.62. The last is administrative resources with a mean value of 4.37.

For Conventional bank, technology resources is ranked first with a mean of 2.47, second is human resources with the mean of 2.58, and third is financial resources with a mean of 3.03, the last is administrative resources with a mean value of 3.58.

Table 4.16: Descriptive Statistics of Availability and Importance of Resources

| | Banks | | | | | | | | |
|---------------------------|--------------|--------------------|----------------|-------------------|--------------------|----------------|-------|--------------------|----------------|
| | Islamic Bank | | | Conventional Bank | | | Total | | |
| | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation |
| Availability of resources | 2.13 | 0.12 | 1.14 | 3.14 | 0.23 | 1.38 | 2.43 | 0.12 | 1.29 |
| Financial | 1.83 | 0.10 | 0.95 | 3.03 | 0.24 | 1.42 | 2.19 | 0.11 | 1.24 |
| Technology | 2.13 | 0.10 | 0.90 | 2.47 | 0.21 | 1.25 | 2.23 | 0.09 | 1.03 |
| Human Resources | 2.62 | 0.11 | 0.98 | 2.58 | 0.24 | 1.42 | 2.61 | 0.10 | 1.12 |
| Time | 4.10 | 0.11 | 1.03 | 3.33 | 0.21 | 1.24 | 3.87 | 0.10 | 1.14 |
| Administrative | 4.37 | 0.10 | 0.94 | 3.58 | 0.25 | 1.48 | 4.13 | 0.11 | 1.18 |

4.4.1.1 People

The researcher asked the participants if training, instruction and job description given to the lower level employees were adequate and understood. The answers given by the participants are shown on table 4.17. As can be seen, over 38% of the participants stated strongly agree, while 19.2% stated agree, 21.7% neutral, 12.5 disagree and 8.3% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 46.4% vs. 19.4%, 21.4% vs. 13.9%, 16.7% vs. 33.3%, 13.1% vs. 11.1%, and 2.4% vs. 22.2% respectively. It should be noted that a significantly higher proportion of participants from the Islamic bank selected very important or important compared to the proportion of participants from the conventional bank who selected very important or important with chi-square value of 20.75, $df=4$ and $p=0.001$ (<0.05).

Table 4.17: Descriptive Results for ‘People’ as a Resource

| | | | People | | | | | Total |
|------------|-------------------|-----------|----------------|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 39 | 18 | 14 | 11 | 2 | 84 |
| | | % | 46.4% | 21.4% | 16.7% | 13.1% | 2.4% | 100.0% |
| | Conventional Bank | Frequency | 7 | 5 | 12 | 4 | 8 | 36 |
| | | % | 19.4% | 13.9% | 33.3% | 11.1% | 22.2% | 100.0% |
| Total | | Frequency | 46 | 23 | 26 | 15 | 10 | 120 |
| | | % | 38.3% | 19.2% | 21.7% | 12.5% | 8.3% | 100.0% |
| Chi-Square | | | $X^2=20.75$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.001$ | | | | | |

Further the descriptive statistics of the statement ‘people’ as a resource is shown on table 4.18. The statement depicts that the mean is 2.33, standard error 0.12 and standard deviation 1.32. The means for Islamic and conventional banks are 2.04 and 3.03 respectively, Which means that in the Islamic banks “ people as resource “ is seen important to the strategy outcomes, while in conventional banks this factor is normal.

Table 4.18: Descriptive Statistics for People as Resource

| Banks | Mean | Std. Error of Mean | Std. Deviation |
|-------------------|------|--------------------|----------------|
| Islamic Bank | 2.04 | 0.13 | 1.18 |
| Conventional Bank | 3.03 | 0.23 | 1.40 |
| Total | 2.33 | 0.12 | 1.32 |

4.4.1.2 Communication

There were three statements under communication, namely: ‘Tasks, activities, and overall goals were defined and understood’; ‘Top management communication’; and ‘Criteria for success were clear’.The participants gave their responses using a 5-point scale where 1= strongly agree, 2=agree, 3=neutral, 4=disagree and 5=strongly disagree. We look at each in turn.

As for the first statement ‘Tasks, activities, and overall goals were defined and understood’, the responses given by the participants are shown on table 4.19. For this statement, 34.2% of the participants selected strongly agree, 25.8% agree, 20.0% neutral, 16.7% disagree and 3.3% strongly disagree. The corresponding percentages for Islamic and Conventional banks

are 44% vs. 11.1%, 31% vs. 13.9%, 11.9% vs. 38.9%, 11.9% vs. 27.8%, and 1.2% vs. 8.3% respectively. A significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the proportion of participants from the conventional bank who selected strongly agree or agree with chi-square value of 27.68, $df=4$ and $p=0.001$ (<0.05).

Table 4.19: Descriptive Results for ‘Tasks, activities, and overall goals were defined and understood’

| | | | Tasks, activities, and overall goals were defined & understood | | | | | Total |
|------------|-------------------|-----------|--|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 37 | 26 | 10 | 10 | 1 | 84 |
| | | % | 44.0% | 31.0% | 11.9% | 11.9% | 1.2% | 100.0% |
| | Conventional Bank | Frequency | 4 | 5 | 14 | 10 | 3 | 36 |
| | | % | 11.1% | 13.9% | 38.9% | 27.8% | 8.3% | 100.0% |
| Total | | Frequency | 41 | 31 | 24 | 20 | 4 | 120 |
| | | % | 34.2% | 25.8% | 20.0% | 16.7% | 3.3% | 100.0% |
| Chi-Square | | | $X^2=27.68$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.001$ | | | | | |

As regards to ‘Top management communication’ the responses given by the participants are shown on table 4.20. For the whole sample 28.3% of the participants selected strongly agree, 29.2% agree, 20.8% neutral, 14.2% disagree and 7.5% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 36.9% vs. 8.3%, 35.7% vs. 13.9%, 14.3% vs. 36.1%, 9.5% vs. 25%, and 3.6% vs. 16.7% respectively. It should be noted that a significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the proportion of participants from the conventional bank who selected strongly agree or agree with chi-square value of 27.16, $df=4$ and $p=0.001$ (<0.05).

Table 4.20: Descriptive Results for ‘Communication’

| | | | Top management communication | | | | | Total |
|------------|-------------------|-----------|------------------------------|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 31 | 30 | 12 | 8 | 3 | 84 |
| | | % | 36.9% | 35.7% | 14.3% | 9.5% | 3.6% | 100.0% |
| | Conventional Bank | Frequency | 3 | 5 | 13 | 9 | 6 | 36 |
| | | % | 8.3% | 13.9% | 36.1% | 25.0% | 16.7% | 100.0% |
| Total | | Frequency | 34 | 35 | 25 | 17 | 9 | 120 |
| | | % | 28.3% | 29.2% | 20.8% | 14.2% | 7.5% | 100.0% |
| Chi-Square | | | $X^2=27.16$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.001$ | | | | | |

With regards to the statement that ‘Criteria for success were clear’ the responses given by the participants are shown on table 4.21. For the whole sample 33.3% of the participants selected strongly agree, 25.8% agree, 22.5% neutral, 10.8% disagree and 7.5% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 40.5% vs. 16.7%, 27.4% vs. 22.2%, 19.0% vs. 30.6%, 7.1% vs. 19.4%, and 6.0% vs. 11.1% respectively. As can be seen, significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the proportion of participants from the conventional bank who selected strongly agree or agree with chi-square value of 10.44, $df=4$ and $p=0.032$ (<0.05).

Table 4.21: Descriptive Results for ‘Criteria for Success were Clear’

| | | | Criteria for success were clear | | | | | Total |
|------------|-------------------|-----------|---------------------------------|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 34 | 23 | 16 | 6 | 5 | 84 |
| | | % | 40.5% | 27.4% | 19.0% | 7.1% | 6.0% | 100.0% |
| | Conventional Bank | Frequency | 6 | 8 | 11 | 7 | 4 | 36 |
| | | % | 16.7% | 22.2% | 30.6% | 19.4% | 11.1% | 100.0% |
| Total | | Frequency | 40 | 31 | 27 | 13 | 9 | 120 |
| | | % | 33.3% | 25.8% | 22.5% | 10.8% | 7.5% | 100.0% |
| Chi-Square | | | $X^2=10.44$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.032$ | | | | | |

Further descriptive statistics for these items in a comparative manner are shown in table 4.22. As shown on the table, for the total sample the mean of *‘Tasks, activities, and overall goals were defined and understood’* is 2.29; *‘Top management communication’* is 2.43; and *‘Criteria for success were clear’* is 2.33. They all fall between agree and neutral and are closer to agree than neutral. Using the mean again for ranking the order of importance given by the participants is *‘Tasks, activities, and overall goals were defined and understood’*, *‘Criteria for success were clear’*, and *‘Top management communication’* in that order.

For *‘Tasks, activities, and overall goals were defined and understood’* the mean is 1.95, while the mean for conventional bank is 3.08. For *‘Top management communication’* Islamic bank scored a mean of 2.07, while the mean for conventional bank was 3.28. For *‘Criteria for success were clear’* Islamic bank gave it a mean of 2.11, while the mean for conventional bank was 2.86.

Table 4.22: Descriptive Statistics for Communication Related Statements

| | Banks | | | | | | | | |
|--|--------------|--------------------|----------------|-------------------|--------------------|----------------|-------|--------------------|----------------|
| | Islamic Bank | | | Conventional Bank | | | Total | | |
| | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation |
| Tasks, activities, and overall goals were defined & understood | 1.95 | 0.12 | 1.07 | 3.08 | 0.18 | 1.11 | 2.29 | 0.11 | 1.20 |
| Top management communication | 2.07 | 0.12 | 1.11 | 3.28 | 0.19 | 1.16 | 2.43 | 0.11 | 1.25 |
| Criteria for success were clear | 2.11 | 0.13 | 1.19 | 2.86 | 0.21 | 1.25 | 2.33 | 0.11 | 1.25 |

4.4.1.3 Involvement

Under ‘involvement’ as part of the strategic process, three statements were used for participants’ perceptions: *‘Top management and the interest group work together’*, *‘Involvement in the planning process of the strategic decision affected the implementation processes and ‘you have personally involved with strategic implementation in your job’*.

As for the statement that *‘Top management and the interest group work together’* the responses given by the participants are shown on table 4.23. For the whole sample 34.2% of

the participants selected strongly agree, 18.3% agree, 30.8% neutral, 11.7% disagree and 5.0% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 40.5% vs. 19.4%, 20.2% vs. 13.9%, 31% vs. 30.6%, 7.1% vs. 22.2%, and 1.2% vs. 13.9% respectively. As can be seen, a significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the proportion of participants from the conventional bank who selected strongly agree or agree with chi-square value of 16.86, $df=4$ and $p=0.002$ (<0.05).

Table 4.23: Frequency of ‘Top management and the interest group work together’

| | | | Top management and the interest group work together | | | | | Total |
|------------|-------------------|-----------|---|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 34 | 17 | 26 | 6 | 1 | 84 |
| | | % | 40.5% | 20.2% | 31.0% | 7.1% | 1.2% | 100.0% |
| | Conventional Bank | Frequency | 7 | 5 | 11 | 8 | 5 | 36 |
| | | % | 19.4% | 13.9% | 30.6% | 22.2% | 13.9% | 100.0% |
| Total | | Frequency | 41 | 22 | 37 | 14 | 6 | 120 |
| | | % | 34.2% | 18.3% | 30.8% | 11.7% | 5.0% | 100.0% |
| Chi-Square | | | $X^2=16.86$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.002$ | | | | | |

As regards to the statement that ‘Involvement in the planning process of the strategic decision affected the implementation process’ the responses given by the participants are shown in table 4.24. For the total sample 38.3% of the participants selected strongly agree, 22.5% agree, 23.3% neutral, 12.5% disagree and 3.3% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 47.6% vs. 16.7%, 22.6% vs. 22.2%, 21.4% vs. 27.8%, 8.3% vs. 22.2%, and 0% vs. 11.1% respectively. As the results depict, a significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the proportion of participants from the conventional bank who selected strongly agree or agree with chi-square value of 19.96, $df=4$ and $p=0.001$ (<0.05).

Table 4.24: Frequency of ‘Involvement in the planning process of the strategic decision affected the implementation process’

| | Involvement in the planning process of the strategic decision affected the implementation process | Total |
|--|---|-------|
|--|---|-------|

| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
|------------|-------------------|-----------|----------------|-------|---------|----------|-------------------|--------|
| Banks | Islamic Bank | Frequency | 40 | 19 | 18 | 7 | 0 | 84 |
| | | % | 47.6% | 22.6% | 21.4% | 8.3% | .0% | 100.0% |
| | Conventional Bank | Frequency | 6 | 8 | 10 | 8 | 4 | 36 |
| | | % | 16.7% | 22.2% | 27.8% | 22.2% | 11.1% | 100.0% |
| Total | | Frequency | 46 | 27 | 28 | 15 | 4 | 120 |
| | | % | 38.3% | 22.5% | 23.3% | 12.5% | 3.3% | 100.0% |
| Chi-Square | | | $X^2=19.96$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.001$ | | | | | |

As for the statement that ‘You have personally involved with strategic implementation in your job’ the results are depicted in table 4.25. For the total sample 37.5% of the participants selected strongly agree, 29.2% agree, 18.3% neutral, 8.3% disagree and 6.7% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 48.8% vs. 11.1%, 29.8% vs. 27.8%, 14.3% vs. 27.8%, 3.6% vs. 19.4%, and 3.6% vs. 13.9% respectively. As can be seen, a significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the proportion of participants from the conventional bank who selected strongly agree or agree with chi-square value of 23.73, $df=4$ and $p=0.001$ (<0.05).

Table 4.25: Frequency of ‘You have personally involved with strategic implementation in your job’

| | | | You have personally involved with strategic implementation in your job | | | | | Total |
|------------|-------------------|-----------|--|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 41 | 25 | 12 | 3 | 3 | 84 |
| | | % | 48.8% | 29.8% | 14.3% | 3.6% | 3.6% | 100.0% |
| | Conventional Bank | Frequency | 4 | 10 | 10 | 7 | 5 | 36 |
| | | % | 11.1% | 27.8% | 27.8% | 19.4% | 13.9% | 100.0% |
| Total | | Frequency | 45 | 35 | 22 | 10 | 8 | 120 |
| | | % | 37.5% | 29.2% | 18.3% | 8.3% | 6.7% | 100.0% |
| Chi-Square | | | $X^2=23.73$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.001$ | | | | | |

In a comparative manner, the descriptive statistics for the three statements under involvement are shown on table 4.26. For the total sample, the statement ‘You have personally involved

with strategic implementation in your job’ was rank first with a mean of 2.17, this was followed by the statement ‘Involvement in the planning process of the strategic decision affected the implementation process’ with a mean of 2.20 and then ‘Top management and the interest group work together’ with a mean of 2.35.

Participants from Islamic bank gave a mean of 1.83 to the statement ‘You have personally involved with strategic implementation in your job’, while the mean from participants from the conventional bank was 2.97. For the statement ‘Involvement in the planning process of the strategic decision affected the implementation process’ Islamic bank mean was 1.90 and Convectional mean was 2.89. For the statement ‘Top management and the interest group work together’, Islamic bank mean was 2.08 and Convectional mean was 2.97.

Table 4.26: Descriptive Statistics of Involvement

| | Banks | | | | | | | | |
|---|--------------|--------------------|----------------|-------------------|--------------------|----------------|-------|--------------------|----------------|
| | Islamic Bank | | | Conventional Bank | | | Total | | |
| | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation |
| Top management and the interest group work together | 2.08 | 0.12 | 1.06 | 2.97 | 0.22 | 1.32 | 2.35 | 0.11 | 1.21 |
| Involvement in the planning process of the strategic decision affected the implementation process | 1.90 | 0.11 | 1.01 | 2.89 | 0.21 | 1.26 | 2.20 | 0.11 | 1.18 |
| You have personally involved with strategic implementation in your job | 1.83 | 0.11 | 1.04 | 2.97 | 0.21 | 1.23 | 2.17 | 0.11 | 1.21 |

4.4.1.4 Commitment and Motivation

Just like Involvement, Commitment and Motivation also have three statements ‘Right and interest to the bank’ (e.g the strategic decision taken was the right one and in the best interest of the bank), and ‘Consequences’ (e.g consequence of the strategic decision were believed and committed and ‘Favourability for interest group’ (e.g people who are interested are favourable toward implementing of the decision.

The statement that ‘Right and interest to the bank’ is considered, the responses given by the participants are shown in table 4.27. For the total sample 25% of the participants selected

strongly agree, 15.0% agree, 40% neutral, 13.3% disagree and 6.7% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 26.2% vs. 22.2%, 14.3% vs. 16.7%, 39.3% vs. 41.7%, 14.3% vs. 11.1%, and 6.0% vs. 8.3% respectively. As can be seen, there is no statistically significant difference in the proportion of participants from the Islamic bank who selected strongly agree or agree compared to the proportion of participants from the conventional bank who selected strongly agree or agree with chi-square value of 0.69, $df=4$ and $p=0.0951$ (>0.05).

Table 4.27: Frequency for the statement ‘Right and interest to the bank’

| | | | Right & interest to the bank | | | | | Total |
|------------|-------------------|-----------|------------------------------|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 22 | 12 | 33 | 12 | 5 | 84 |
| | | % | 26.2% | 14.3% | 39.3% | 14.3% | 6.0% | 100.0% |
| | Conventional Bank | Frequency | 8 | 6 | 15 | 4 | 3 | 36 |
| | | % | 22.2% | 16.7% | 41.7% | 11.1% | 8.3% | 100.0% |
| Total | | Frequency | 30 | 18 | 48 | 16 | 8 | 120 |
| | | % | 25.0% | 15.0% | 40.0% | 13.3% | 6.7% | 100.0% |
| Chi-Square | | | $X^2=0.69$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.951$ | | | | | |

With regards to ‘Consequences’, the results in Table 4.28 show that for the total sample 26.7% of the participants selected strongly agree, 35.8% agree, 20.0% neutral 12.5% disagree and 5.0% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 33.3% vs. 11.1%, 47.6% vs. 8.3%, 10.7% vs. 41.7%, 6.0% vs. 27.8%, and 2.4% vs. 11.1% respectively. It should be noted that significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 41.04, $df=4$ and $p=0.001$ (<0.05).

Table 4.28: Frequency of Consequences

| | | | Frequency of Consequences | | | | | Total |
|------------|-------------------|-----------|---------------------------|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 28 | 40 | 9 | 5 | 2 | 84 |
| | | % | 33.3% | 47.6% | 10.7% | 6.0% | 2.4% | 100.0% |
| | Conventional Bank | Frequency | 4 | 3 | 15 | 10 | 4 | 36 |
| | | % | 11.1% | 8.3% | 41.7% | 27.8% | 11.1% | 100.0% |
| Total | | Frequency | 32 | 43 | 24 | 15 | 6 | 120 |
| | | % | 26.7% | 35.8% | 20.0% | 12.5% | 5.0% | 100.0% |
| Chi-Square | | | $X^2=41.04$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.001$ | | | | | |

With regards to the statement of ‘Favourability for Interest Group’, the descriptive results are depicted in table 4.29. For the total sample 39.2% of the participants selected strongly agree, 24.2% agree, 18.3% neutral 11.7% disagree and 6.7% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 52.4% vs. 8.3%, 23.8% vs. 25.0%, 9.5% vs. 38.9%, 11.9% vs. 11.1%, and 2.4% vs. 16.7% respectively. As can be seen, a significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 32.08, $df=4$ and $p=0.001$ (<0.05).

Table 4.29: Frequency of Favourability for Interest Group

| | | | Favourability for interest group | | | | | Total | |
|------------|-------------------|-----------|----------------------------------|-------|---------|----------|-------------------|--------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | | |
| Banks | Islamic Bank | Frequency | 44 | 20 | 8 | 10 | 2 | 84 | |
| | | % | 52.4% | 23.8% | 9.5% | 11.9% | 2.4% | 100.0% | |
| | Conventional Bank | Frequency | 3 | 9 | 14 | 4 | 6 | 36 | |
| | | % | 8.3% | 25.0% | 38.9% | 11.1% | 16.7% | 100.0% | |
| | Total | | Frequency | 47 | 29 | 22 | 14 | 8 | 120 |
| | | | % | 39.2% | 24.2% | 18.3% | 11.7% | 6.7% | 100.0% |
| Chi-Square | | | $X^2=32.08$ | | | | | | |
| | | | $df= 4$ | | | | | | |
| | | | $p=0.001$ | | | | | | |

Table 4.30 shows the descriptive statistics of the three statements under ‘Commitment and Motivation’ in a comparative manner: ‘Favourability for interest group’ has a mean of 2.23, ‘Consequences’ mean of 2.33 and ‘Right & interest to the bank’ a mean of 2.62. The corresponding means for Islamic bank are 1.88, 1.96 and 2.60 respectively, while the corresponding means for Conventional banks are 3.03, 3.19 and 2.67 respectively.

Table 4.30: Descriptive Statistics of Commitment and Motivation

| | Banks | | | | | | | | |
|----------------------------------|--------------|--------------------|----------------|-------------------|--------------------|----------------|-------|--------------------|----------------|
| | Islamic Bank | | | Conventional Bank | | | Total | | |
| | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation |
| Right & interest to the bank | 2.60 | 0.13 | 1.19 | 2.67 | 0.20 | 1.20 | 2.62 | 0.11 | 1.19 |
| Consequences | 1.96 | 0.10 | .95 | 3.19 | 0.19 | 1.12 | 2.33 | 0.10 | 1.15 |
| Favourability for interest group | 1.88 | 0.12 | 1.14 | 3.03 | 0.20 | 1.18 | 2.23 | 0.12 | 1.27 |

4.4.1.5 Control and Feedback

Control and Feedback have only two statements ‘Process was controlled’ and ‘Process was monitored’. As for the statement that ‘process was controlled’, as the results in table 4.31 show for the total sample 30.0% of the participants selected strongly agree, 35.0% agree, 18.3% neutral, 12.5% disagree and 4.2% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 39.3% vs. 8.3%, 39.3% vs. 25.0%, 11.9% vs. 33.3%, 8.3% vs. 22.2%, and 1.2% vs. 11.1% respectively. A significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 25.67, $df=4$ and $p=0.001$ (<0.05).

Table 4.31: Frequency of Process was controlled

| | | | Frequency of Process was controlled | | | | | Total |
|------------|-------------------|-----------|-------------------------------------|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 33 | 33 | 10 | 7 | 1 | 84 |
| | | % | 39.3% | 39.3% | 11.9% | 8.3% | 1.2% | 100.0% |
| | Conventional Bank | Frequency | 3 | 9 | 12 | 8 | 4 | 36 |
| | | % | 8.3% | 25.0% | 33.3% | 22.2% | 11.1% | 100.0% |
| Total | | Frequency | 36 | 42 | 22 | 15 | 5 | 120 |
| | | % | 30.0% | 35.0% | 18.3% | 12.5% | 4.2% | 100.0% |
| Chi-Square | | | $X^2=25.67$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.001$ | | | | | |

With regards to the statement that ‘Process was Monitored’ the responses given by the participants are shown on table 4.32. For the total sample 35.0% of the participants selected strongly agree, 22.5% agree, 20.8% neutral, 16.7% disagree and 5.0% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 44.0% vs. 13.9%, 27.4% vs. 11.1%, 16.7% vs. 30.6%, 8.3% vs. 36.1%, and 3.6% vs. 8.3% respectively. It can be seen that a significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 24.66, $df=4$ and $p=0.001$ (<0.05).

Table 4.32: Frequency of Process was Monitored

| | | | Process was monitored | | | | | Total |
|------------|-------------------|-----------|-----------------------|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 37 | 23 | 14 | 7 | 3 | 84 |
| | | % | 44.0% | 27.4% | 16.7% | 8.3% | 3.6% | 100.0% |
| | Conventional Bank | Frequency | 5 | 4 | 11 | 13 | 3 | 36 |
| | | % | 13.9% | 11.1% | 30.6% | 36.1% | 8.3% | 100.0% |
| Total | | Frequency | 42 | 27 | 25 | 20 | 6 | 120 |
| | | % | 35.0% | 22.5% | 20.8% | 16.7% | 5.0% | 100.0% |
| Chi-Square | | | $X^2=26.66$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.001$ | | | | | |

The descriptive statistics of the two statements are shown in table 4.33 in a comparative manner. For the whole sample the mean for ‘Process was controlled’ is 2.26 and that for ‘Process was monitored’ is 2.34. For Islamic bank the means are 1.93 and 2.00 respectively, while for Conventional bank the means are 3.03 and 3.14 respectively. This means that participants in Islamic banks are more agreed with the control and feedback factors than those of conventional banks.

Table 4.33: Descriptive Statistics of Control and Feedback

| | Banks | | | | | | | | |
|------------------------|--------------|--------------------|----------------|-------------------|--------------------|----------------|-------|--------------------|----------------|
| | Islamic Bank | | | Conventional Bank | | | Total | | |
| | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation |
| Process was controlled | 1.93 | 0.11 | .98 | 3.03 | 0.19 | 1.13 | 2.26 | 0.10 | 1.14 |
| Process was monitored | 2.00 | 0.12 | 1.13 | 3.14 | 0.20 | 1.17 | 2.34 | 0.11 | 1.25 |

4.4.1.6 Interest Group

Under the ‘Interest Group’ as part of the strategy implementation process, there are three statements: ‘impact’, ‘power’ and ‘conflicts’. Impact refers to the extent to which interest group had an impact on the implementing the decision. Power refers to the extent to which strategic decision affected by the use of power and influence among group members. Conflict refers to the extent to which a degree of conflict among the interest group.

As for ‘Impact’, the responses given by the participants are shown on table 4.43. For the total sample 15.0% of the participants selected strongly agree, 24.2% agree, 38.3% neutral, 15.8% disagree and 6.7% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 14.3% vs. 16.7%, 26.2% vs. 19.4%, 39.3% vs. 36.1%, 15.5% vs. 16.7%, and 4.8% vs. 11.1% respectively. There is no statistical significant difference in the proportion of participants from the Islamic bank who selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 2.18, $df=4$ and $p=0.702$ (>0.05).

Table 4.43: Frequency of Impact

| | | | Impact | | | | | Total |
|------------|-------------------|-----------|----------------|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 12 | 22 | 33 | 13 | 4 | 84 |
| | | % | 14.3% | 26.2% | 39.3% | 15.5% | 4.8% | 100.0% |
| | Conventional Bank | Frequency | 6 | 7 | 13 | 6 | 4 | 36 |
| | | % | 16.7% | 19.4% | 36.1% | 16.7% | 11.1% | 100.0% |
| Total | | Frequency | 18 | 29 | 46 | 19 | 8 | 120 |
| | | % | 15.0% | 24.2% | 38.3% | 15.8% | 6.7% | 100.0% |
| Chi-Square | | | $X^2= 2.18$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.702$ | | | | | |

With regards to ‘Power’ the responses given by the participants are shown in table 4.44. For the total sample 19.2% of the participants selected strongly agree, 20.0% agree, 35.0% neutral, 17.5% disagree and 8.3% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 21.4% vs. 13.9%, 25.0% vs. 8.3%, 36.9% vs. 30.6%, 15.5% vs. 22.2%, and 1.2% vs. 25.0% respectively. As the results indicate, significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 22.34, $df=4$ and $p=0.001$ (<0.05).

Table 4.44: Frequency of Power

| | | | Power | | | | | Total |
|------------|-------------------|-----------|----------------|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 18 | 21 | 31 | 13 | 1 | 84 |
| | | % | 21.4% | 25.0% | 36.9% | 15.5% | 1.2% | 100.0% |
| | Conventional Bank | Frequency | 5 | 3 | 11 | 8 | 9 | 36 |
| | | % | 13.9% | 8.3% | 30.6% | 22.2% | 25.0% | 100.0% |
| Total | | Frequency | 23 | 24 | 42 | 21 | 10 | 120 |
| | | % | 19.2% | 20.0% | 35.0% | 17.5% | 8.3% | 100.0% |
| Chi-Square | | | $X^2=22.34$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.001$ | | | | | |

As regards to ‘Conflicts’ the responses given by the participants are shown on table 4.45. For the total sample 25.8% of the participants selected strongly agree, 25.0% agree, 22.5% neutral, 20.0% disagree and 6.7% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 29.8% vs. 16.7%, 29.8% vs. 13.9%, 16.7% vs. 36.1%, 16.7% vs. 27.8%, and 7.1% vs. 5.6% respectively. It can be seen that a significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 10.10, $df=4$ and $p=0.039$ (<0.05).

Table 4.45: Frequency of Conflicts

| | | | Conflicts | | | | | Total |
|------------|-------------------|-----------|----------------|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 25 | 25 | 14 | 14 | 6 | 84 |
| | | % | 29.8% | 29.8% | 16.7% | 16.7% | 7.1% | 100.0% |
| | Conventional Bank | Frequency | 6 | 5 | 13 | 10 | 2 | 36 |
| | | % | 16.7% | 13.9% | 36.1% | 27.8% | 5.6% | 100.0% |
| Total | | Frequency | 31 | 30 | 27 | 24 | 8 | 120 |
| | | % | 25.8% | 25.0% | 22.5% | 20.0% | 6.7% | 100.0% |
| Chi-Square | | | $X^2=10.10$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.039$ | | | | | |

The descriptive statistics for the three statements are shown table 4.46 in a comparative manner. For the whole sample the mean value for ‘impact’ is 2.75, for ‘power’ is 2.76 and for ‘conflicts’ is 2.57. The corresponding values for Islamic banks are 2.70, 2.50 and 2.42 respectively; while for the Convectional bank the means are 2.86, 3.36 and 2.92 respectively. As the above results, there are no significant differences between Islamic and conventional banks in relation to the interest group, both type of banks agreed how important are the interest group to the strategy process and outcomes.

Table 4.46: Descriptive Statistics of Interest Group

| | Banks | | | | | | | | |
|-----------|--------------|--------------------|----------------|-------------------|--------------------|----------------|-------|--------------------|----------------|
| | Islamic Bank | | | Conventional Bank | | | Total | | |
| | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation |
| Impact | 2.70 | 0.11 | 1.05 | 2.86 | 0.20 | 1.22 | 2.75 | 0.10 | 1.10 |
| Power | 2.50 | 0.11 | 1.04 | 3.36 | 0.22 | 1.33 | 2.76 | 0.11 | 1.20 |
| Conflicts | 2.42 | 0.14 | 1.27 | 2.92 | 0.19 | 1.16 | 2.57 | 0.11 | 1.26 |

4.4.1.7 External Company

As regards to ‘External Company’ as part of strategy implementation process, three statements were utilised to measure: ‘Specialisation’, ‘Presence of external company’, and ‘Relationship with external company’. Specialisation refers to the availability of skilled employees in the bank to run the strategy implementation process. Presence of external company refers to usefulness of the external firm during the process. And the relationship between interest group with external company toward completion of the task. The results are presented as follow:

As for ‘Specialisation’ the responses given by the participants are shown on table 4.47. For the total sample 43.3% of the participants selected strongly agree, 20.8% agree, 20.0% neutral, 11.7% disagree and 4.2% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 52.4% vs. 22.2%, 23.8% vs. 13.9%, 14.3% vs. 33.3%, 8.3% vs. 19.4%, and 1.2% vs. 11.1% respectively. As the results indicate, a significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 19.67, $df=4$ and $p=0.001$ (<0.05).

Table 4.47: Frequency of Specialisation

| | | | Specialisation | | | | | Total |
|------------|-------------------|-----------|----------------|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 44 | 20 | 12 | 7 | 1 | 84 |
| | | % | 52.4% | 23.8% | 14.3% | 8.3% | 1.2% | 100.0% |
| | Conventional Bank | Frequency | 8 | 5 | 12 | 7 | 4 | 36 |
| | | % | 22.2% | 13.9% | 33.3% | 19.4% | 11.1% | 100.0% |
| Total | | Frequency | 52 | 25 | 24 | 14 | 5 | 120 |
| | | % | 43.3% | 20.8% | 20.0% | 11.7% | 4.2% | 100.0% |
| Chi-Square | | | $X^2= 19.67$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.001$ | | | | | |

As for ‘Presence of external company’ the responses given by the participants are shown on table 4.48. For the total sample 29.2% of the participants selected strongly agree, 25.0% agree, 20.8% neutral, 12.5% disagree and 12.5% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 40.5% vs. 2.8%, 28.6% vs. 16.7%, 13.1% vs. 38.9%, 13.1% vs. 11.1%, and 4.8% vs. 30.6% respectively. As the results indicate, a

significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 35.25, $df=4$ and $p=0.001$ (<0.05).

Table 4.48: Frequency of Presence of external company

| | | | Presence of external company | | | | | Total |
|------------|-------------------|-----------|------------------------------|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 34 | 24 | 11 | 11 | 4 | 84 |
| | | % | 40.5% | 28.6% | 13.1% | 13.1% | 4.8% | 100.0% |
| | Conventional Bank | Frequency | 1 | 6 | 14 | 4 | 11 | 36 |
| | | % | 2.8% | 16.7% | 38.9% | 11.1% | 30.6% | 100.0% |
| Total | | Frequency | 35 | 30 | 25 | 15 | 15 | 120 |
| | | % | 29.2% | 25.0% | 20.8% | 12.5% | 12.5% | 100.0% |
| Chi-Square | | | $X^2=35.25$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.001$ | | | | | |

With regards to ‘Relationship with external company’ the responses given by the participants are shown on table 4.49. For the total sample 31.7% of the participants selected strongly agree, 26.7% agree, 21.7% neutral, 15.8% disagree and 4.2% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 40.5% vs. 11.1%, 32.1% vs. 13.9%, 13.1% vs. 41.7%, 10.7% vs. 27.8%, and 3.6% vs. 5.6% respectively. A significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 24.38, $df=4$ and $p=0.001$ (<0.05).

Table 4.49: Frequency of Relationship with external company

| | | | Relationship with external company | | | | | Total | |
|------------|-------------------|-----------|------------------------------------|-------|---------|----------|-------------------|--------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | | |
| Banks | Islamic Bank | Frequency | 34 | 27 | 11 | 9 | 3 | 84 | |
| | | % | 40.5% | 32.1% | 13.1% | 10.7% | 3.6% | 100.0% | |
| | Conventional Bank | Frequency | 4 | 5 | 15 | 10 | 2 | 36 | |
| | | % | 11.1% | 13.9% | 41.7% | 27.8% | 5.6% | 100.0% | |
| | Total | | Frequency | 38 | 32 | 26 | 19 | 5 | 120 |
| | | | % | 31.7% | 26.7% | 21.7% | 15.8% | 4.2% | 100.0% |
| Chi-Square | | | $X^2=24.38$ | | | | | | |
| | | | $df= 4$ | | | | | | |
| | | | $p=0.001$ | | | | | | |

For a comparative understanding, the descriptive statistics for the three statements are shown on table 4.50. For the whole sample ‘Specialisation’ has a mean of 2.12; this was followed by ‘Relationship with external company’ with a mean of 2.34 and finally ‘Presence of external company’ with a mean of 2.54. For Islamic bank the corresponding means are 1.82, 2.05 and 2.13 respectively. Similarly the corresponding means for Conventional banks are 2.83, 3.03 and 3.50 respectively.

As the above results, there are no significant differences between Islamic and conventional banks in relation to the use of external companies, both type of banks agreed how important the external companies to the strategy process and outcomes are.

Table 4.50: Descriptive Statistics of Outsourcing /External Company

| | Banks | | | | | | | | |
|------------------------------------|--------------|--------------------|----------------|-------------------|--------------------|----------------|-------|--------------------|----------------|
| | Islamic Bank | | | Conventional Bank | | | Total | | |
| | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation |
| Specialisation | 1.82 | 0.11 | 1.04 | 2.83 | 0.22 | 1.30 | 2.12 | 0.11 | 1.21 |
| Presence of external company | 2.13 | 0.13 | 1.22 | 3.50 | 0.20 | 1.18 | 2.54 | 0.12 | 1.36 |
| Relationship with external company | 2.05 | 0.12 | 1.14 | 3.03 | 0.18 | 1.06 | 2.34 | 0.11 | 1.20 |

4.4.1.8 Organisational Structure

‘Organisational Structure’ is considered as an essential part of the strategy implementation process, which is measured by the following three statements ‘Structure’, ‘Agreement in decision’, and ‘Agreement in implementation’. Structure refers to the appropriate allocation of the authority and responsibility for example setting up a project teams and leaders. Agreement refers to the extent to which all the interest groups agree about the way the decision was made and implemented. The results of which are discussed as follows:

As for ‘Structure’, the responses given by the participants are shown in table 4.51. For the total sample 27.5% of the participants selected strongly agree, 31.7% agree, 20.0% neutral, 9.2% disagree and 11.7% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 29.8% vs. 22.2%, 39.3% vs. 13.9%, 14.3% vs. 33.3%, 8.3% vs. 11.1%, and 8.3% vs. 19.4% respectively. As can be seen, a significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 13.10, $df=4$ and $p=0.001$ (<0.05).

Table 4.51: Frequency of Structure

| | | | Structure | | | | | Total |
|------------|-------------------|-----------|----------------|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 25 | 33 | 12 | 7 | 7 | 84 |
| | | % | 29.8% | 39.3% | 14.3% | 8.3% | 8.3% | 100.0% |
| | Conventional Bank | Frequency | 8 | 5 | 12 | 4 | 7 | 36 |
| | | % | 22.2% | 13.9% | 33.3% | 11.1% | 19.4% | 100.0% |
| Total | | Frequency | 33 | 38 | 24 | 11 | 14 | 120 |
| | | % | 27.5% | 31.7% | 20.0% | 9.2% | 11.7% | 100.0% |
| Chi-Square | | | $X^2=13.10$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.011$ | | | | | |

With regards to ‘Agreement in decision’, the responses given by the participants are shown on table 4.52. For the total sample 22.5% of the participants selected strongly agree, 23.3% agree, 25.8% neutral, 18.3% disagree and 10.0% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 28.3% vs. 8.3%, 26.2% vs. 16.7%, 20.2% vs. 38.9%, 19.0% vs. 16.7%, and 6.0% vs. 19.4% respectively. As the results indicate, a significantly higher proportion of participants from the Islamic bank selected strongly agree

or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 13.63, $df=4$ and $p=0.008$ (<0.05).

Table 4.52: Frequency of Agreement in Decision

| | | | Agreement in decision | | | | | Total |
|------------|-------------------|-----------|-----------------------|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 24 | 22 | 17 | 16 | 5 | 84 |
| | | % | 28.6% | 26.2% | 20.2% | 19.0% | 6.0% | 100.0% |
| | Conventional Bank | Frequency | 3 | 6 | 14 | 6 | 7 | 36 |
| | | % | 8.3% | 16.7% | 38.9% | 16.7% | 19.4% | 100.0% |
| Total | | Frequency | 27 | 28 | 31 | 22 | 12 | 120 |
| | | % | 22.5% | 23.3% | 25.8% | 18.3% | 10.0% | 100.0% |
| Chi-Square | | | $X^2=13.63$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.008$ | | | | | |

With regards to the statement that ‘Agreement in implementation’, the responses given by the participants are shown in table 4.53. For the total sample 36.7% of the participants selected strongly agree, 20.8% agree, 18.3% neutral, 15.8% disagree and 8.3% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 41.7% vs. 25.0%, 22.6% vs. 16.7%, 13.1% vs. 30.6%, 15.5% vs. 16.7%, and 7.1% vs. 11.1% respectively. It should be noted that there is no statistical significant association between the proportion of participants from the Islamic bank who selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 7.03, $df=4$ and $p=0.134$ (>0.05).

Table 4.53: Frequency of Agreement in Implementation

| | | | Agreement in implementation | | | | | Total |
|------------|-------------------|-----------|-----------------------------|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 35 | 19 | 11 | 13 | 6 | 84 |
| | | % | 41.7% | 22.6% | 13.1% | 15.5% | 7.1% | 100.0% |
| | Conventional Bank | Frequency | 9 | 6 | 11 | 6 | 4 | 36 |
| | | % | 25.0% | 16.7% | 30.6% | 16.7% | 11.1% | 100.0% |
| Total | | Frequency | 44 | 25 | 22 | 19 | 10 | 120 |
| | | % | 36.7% | 20.8% | 18.3% | 15.8% | 8.3% | 100.0% |
| Chi-Square | | | $X^2= 7.03$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.134$ | | | | | |

As regards to ‘Single point of contact’, ‘Under Organisational Structure’ the researcher also asked if a single point of contact was considered and the responses given by the participants are shown on table 4.54. The participants answered *yes* or *no*. For the total sample 58.3% of the participants selected yes while 41.7% selected no. The corresponding percentages for Islamic and Conventional banks are 58.3% vs. 58.3%, and 41.7% vs. 41.7% respectively. As can be seen, there is no statistical significant association between the proportion of participants from the Islamic bank who selected yes or no compared to the proportion of participants from the Conventional bank who selected yes or no with chi-square value of 0.001, $df=4$ and $p=1.00$ (>0.05).

Table 4.54: Frequency of Single point of contact

| | | | Single point of contact | | Total |
|------------|-------------------|-----------|-------------------------|-------|--------|
| | | | Yes | No | |
| Banks | Islamic Bank | Frequency | 49 | 35 | 84 |
| | | % | 58.3% | 41.7% | 100.0% |
| | Conventional Bank | Frequency | 21 | 15 | 36 |
| | | % | 58.3% | 41.7% | 100.0% |
| Total | | Frequency | 70 | 50 | 120 |
| | | % | 58.3% | 41.7% | 100.0% |
| Chi-Square | | | $X^2=0.001$ | | |
| | | | $df= 1$ | | |
| | | | $p=1.00$ | | |

As for the responses related to ‘If Yes, Single point of contact resulted in an efficient implementation of the project’, of those who selected yes in the previous section the responses given by the participants are shown on table 4.55. For the total sample 34.3% of the participants selected strongly agree, 27.1% agree, 21.4% neutral, 14.3% disagree and 2.9% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 44.9% vs. 9.5%, 28.6% vs. 23.8%, 20.4% vs. 23.8%, 6.1% vs. 33.3%, and 0% vs. 9.5% respectively. As can be seen, a significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 13.63, $df=4$ and $p=0.008$ (<0.05).

Table 4.55: Frequency of Single point of contact resulted in an efficient implementation

| | | | Single point of contact resulted in an efficient implementation of the project | | | | | Total |
|------------|-------------------|-----------|--|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 22 | 14 | 10 | 3 | 0 | 49 |
| | | % | 44.9% | 28.6% | 20.4% | 6.1% | .0% | 100.0% |
| | Conventional Bank | Frequency | 2 | 5 | 5 | 7 | 2 | 21 |
| | | % | 9.5% | 23.8% | 23.8% | 33.3% | 9.5% | 100.0% |
| Total | | Frequency | 24 | 19 | 15 | 10 | 2 | 70 |
| | | % | 34.3% | 27.1% | 21.4% | 14.3% | 2.9% | 100.0% |
| Chi-Square | | | $X^2=17.85$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.001$ | | | | | |

To develop a comparative understanding, the descriptive statistics of the statements are shown on table 4.56. With a mean of 2.38 ‘Agreement in implementation’ was ranked first, followed by ‘Structure’ with a mean of 2.46 and finally ‘Agreement in decision’ with a mean of 2.70. The mean for ‘Single point of contact resulted in an efficient implementation of the project’ is 2.24. For Islamic bank the mean for ‘structure’ is 2.26, for ‘agreement in decision’ is 2.48 and for ‘agreement in implementation’ is 2.24 and for ‘Single point of contact resulted in an efficient implementation of the project’ is 1.88. The corresponding means for Conventional bank are 2.92, 3.22, 2.72 and 3.10 respectively.

As the above results, there are no significant differences between Islamic and conventional banks in relation to the organisational structure, both type of banks agreed how important are the structure to the strategy process and outcomes, except the use of single point of contact as method of strong communication tool between different departments where most of the participants in the Islamic banks considered it important variable.

Table 4.56: Descriptive Statistics of Organisational Structure

| | Banks | | | | | | | | |
|--|--------------|--------------------|----------------|-------------------|--------------------|----------------|-------|--------------------|----------------|
| | Islamic Bank | | | Conventional Bank | | | Total | | |
| | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation |
| Structure | 2.26 | 0.13 | 1.21 | 2.92 | 0.23 | 1.40 | 2.46 | 0.12 | 1.30 |
| Agreement in decision | 2.48 | 0.14 | 1.26 | 3.22 | 0.20 | 1.20 | 2.70 | 0.12 | 1.28 |
| Agreement in implementation | 2.24 | 0.15 | 1.33 | 2.72 | 0.22 | 1.32 | 2.38 | 0.12 | 1.34 |
| Single point of contact resulted in an efficient implementation of the project | 1.88 | 0.14 | .95 | 3.10 | 0.26 | 1.18 | 2.24 | 0.14 | 1.16 |

4.4.1.9 Organisation Culture

As part of the strategic implementation process, ‘organisational culture’ has four statements Strong feelings of "ownership", Organisation’s rules and procedures make the job easy, Top management behaves in a professional and efficient manner, and Strong hierarchical relationship between various levels.

As for the ‘Strong feelings of ownership’, the responses given by the participants are shown on table 4.57. For the total sample 26.7% of the participants selected strongly agree, 30.0% agree, 22.5% neutral, 12.5% disagree and 8.3% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 29.8% vs. 19.4%, 38.1% vs. 11.1%, 19.0% vs. 30.6%, 8.3% vs. 22.2%, and 4.8% vs. 16.7% respectively. A significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 16.78, $df=4$ and $p=0.002$ (<0.05).

Table 4.57: Frequency of Strong feelings of “ownership”

| | | | Strong feelings of "ownership" | | | | | Total |
|------------|-------------------|-----------|--------------------------------|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 25 | 32 | 16 | 7 | 4 | 84 |
| | | % | 29.8% | 38.1% | 19.0% | 8.3% | 4.8% | 100.0% |
| | Conventional Bank | Frequency | 7 | 4 | 11 | 8 | 6 | 36 |
| | | % | 19.4% | 11.1% | 30.6% | 22.2% | 16.7% | 100.0% |
| Total | | Frequency | 32 | 36 | 27 | 15 | 10 | 120 |
| | | % | 26.7% | 30.0% | 22.5% | 12.5% | 8.3% | 100.0% |
| Chi-Square | | | $X^2=16.780$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.002$ | | | | | |

With regards to ‘Organisation’s rules and procedures make the job easy’, the responses given by the participants are shown on table 4.58. For the total sample 20.8% of the participants selected strongly agree, 30.0% agree, 24.2% neutral, 15.0% disagree and 10.0% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 23.8% vs. 13.9%, 36.9% vs. 13.9%, 29.8% vs. 11.1%, 6.0% vs. 36.1%, and 3.6% vs. 25.0% respectively. As the results indicate, a significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 36.12, $df=4$ and $p=0.001$ (<0.05).

Table 4.58: Frequency of Organisation’s rules and procedures make the job easy

| | | | Organisation’s rules and procedures make the job easy | | | | | Total |
|------------|-------------------|-----------|---|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 20 | 31 | 25 | 5 | 3 | 84 |
| | | % | 23.8% | 36.9% | 29.8% | 6.0% | 3.6% | 100.0% |
| | Conventional Bank | Frequency | 5 | 5 | 4 | 13 | 9 | 36 |
| | | % | 13.9% | 13.9% | 11.1% | 36.1% | 25.0% | 100.0% |
| Total | | Frequency | 25 | 36 | 29 | 18 | 12 | 120 |
| | | % | 20.8% | 30.0% | 24.2% | 15.0% | 10.0% | 100.0% |
| Chi-Square | | | $X^2=36.119$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.001$ | | | | | |

As for the statement that ‘Top management behaves in a professional and efficient manner’ the responses given by the participants are shown on table 4.59. For the total sample 21.7% of the participants selected strongly agree, 33.3% agree, 23.3% neutral, 12.5% disagree and 9.2% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 22.6% vs.19.4%, 36.9% vs.25.0%, 25.0% vs.19.4%, 14.3% vs.8.3%, and 1.2% vs.27.8% respectively. It can be seen from the results that a significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 21.67, $df=4$ and $p=0.001$ (<0.05).

Table 4.59: Frequency of Top management behaves in a professional and efficient manner

| | | | Top management behaves in a professional and efficient manner | | | | | Total |
|------------|-------------------|-----------|---|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 19 | 31 | 21 | 12 | 1 | 84 |
| | | % | 22.6% | 36.9% | 25.0% | 14.3% | 1.2% | 100.0% |
| | Conventional Bank | Frequency | 7 | 9 | 7 | 3 | 10 | 36 |
| | | % | 19.4% | 25.0% | 19.4% | 8.3% | 27.8% | 100.0% |
| Total | | Frequency | 26 | 40 | 28 | 15 | 11 | 120 |
| | | % | 21.7% | 33.3% | 23.3% | 12.5% | 9.2% | 100.0% |
| Chi-Square | | | $X^2=21.669$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.001$ | | | | | |

With regards to ‘Strong hierarchical relationship between various levels’ the responses given by the participants are shown on table 4.60. For the total sample 22.5% of the participants selected strongly agree, 23.3% agree, 27.5% neutral, 16.7% disagree and 10.0% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 25.0% vs. 16.7%, 26.2% vs. 16.7%, 21.4% vs. 41.7%, 16.7% vs. 16.7%, and 10.7% vs. 8.3% respectively. As the results show there is no statistical significant association between the proportion of participants from the Islamic bank who selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 5.65, $df=4$ and $p=0.227$ (>0.05).

Table 4.60: Frequency of Strong hierarchical relationship between various levels

| | | | Strong hierarchical relationship between various levels | | | | | Total |
|------------|-------------------|-----------|---|-------|---------|----------|-------------------|---------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 21 | 22 | 18 | 14 | 9 | 84 |
| | | % | 25.0% | 26.2% | 21.4% | 16.7% | 10.7% | 100.0 % |
| | Conventional Bank | Frequency | 6 | 6 | 15 | 6 | 3 | 36 |
| | | % | 16.7% | 16.7% | 41.7% | 16.7% | 8.3% | 100.0 % |
| Total | | Frequency | 27 | 28 | 33 | 20 | 12 | 120 |
| | | % | 22.5% | 23.3% | 27.5% | 16.7% | 10.0% | 100.0 % |
| Chi-Square | | | $X^2=5.560$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.227$ | | | | | |

The descriptive statistics of the four statements are shown on table 4.61. For the whole sample “Strong feelings of "ownership" is ranked first with a mean of 2.46, “Top management behaves in a professional and efficient manner” second with a mean of 2.54, “Organisation’s rules and procedures make the job easy” third with mean of 2.63 and finally “Strong hierarchical relationship between various levels “with a mean of 2.68. For Islamic bank Strong feelings of "ownership" was ranked first with a mean of 2.20, “Organisation’s rules and procedures make the job easy “was ranked second with a mean of 2.29, “Top management behaves in a professional and efficient manner” was ranked third with a mean of 2.35 and “Strong hierarchical relationship between various levels” was ranked fourth with a mean of 2.62. For Conventional bank “Strong hierarchical relationship between various levels” was ranked first with a mean of 2.83, “Top management behaves in a professional and efficient manner” was ranked second with a mean of 3.00, “Strong feelings of "ownership" was ranked third with a mean of 3.06 and “Organisation’s rules and procedures make the job easy” was ranked fourth with a mean of 3.44.

Table 4.61: Descriptive Statistics of Organisational Culture

| | Banks | | | | | | | | |
|---|--------------|--------------------|----------------|-------------------|--------------------|----------------|-------|--------------------|----------------|
| | Islamic Bank | | | Conventional Bank | | | Total | | |
| | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation |
| Strong feelings of "ownership" | 2.20 | 0.12 | 1.11 | 3.06 | 0.23 | 1.35 | 2.46 | 0.11 | 1.24 |
| Organisation's rules and procedures make the job easy | 2.29 | 0.11 | 1.01 | 3.44 | 0.23 | 1.38 | 2.63 | 0.11 | 1.25 |
| Top management behaves in a professional and efficient manner | 2.35 | 0.11 | 1.02 | 3.00 | 0.25 | 1.51 | 2.54 | 0.11 | 1.22 |
| Strong hierarchical relationship between various levels | 2.62 | 0.14 | 1.32 | 2.83 | 0.19 | 1.16 | 2.68 | 0.12 | 1.27 |

4.4.1.10 Religion

Religion is considered as another important factor in the strategy implementation in the cases covered in this study, which is measured through three statements Islamic environment, Islamic work ethics, and Islamic belief. Islamic environment means these factors that help to establish commitment and works ethics which run the project in an efficient manner with the participations.

As regards to 'Islamic environment' the responses given by the participants are shown on table 4.62. For the total sample 19.2% of the participants selected strongly agree, 23.3% agree, 21.7% neutral, 25% disagree and 10.8% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 20.2% vs. 16.7%, 22.6% vs. 25.0%, 19.0% vs. 27.8%, 26.2% vs. 22.2%, and 11.9% vs. 8.3% respectively. The results show that there is no statistical significant association between the proportion of participants from the Islamic bank who selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 1.57, $df=4$ and $p=0.814$ (>0.05).

Table 4.62: Frequency of Islamic environment

| | | | Islamic environment | | | | | Total |
|------------|-------------------|-----------|---------------------|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 17 | 19 | 16 | 22 | 10 | 84 |
| | | % | 20.2% | 22.6% | 19.0% | 26.2% | 11.9% | 100.0% |
| | Conventional Bank | Frequency | 6 | 9 | 10 | 8 | 3 | 36 |
| | | % | 16.7% | 25.0% | 27.8% | 22.2% | 8.3% | 100.0% |
| Total | | Frequency | 23 | 28 | 26 | 30 | 13 | 120 |
| | | % | 19.2% | 23.3% | 21.7% | 25.0% | 10.8% | 100.0% |
| Chi-Square | | | $X^2=1.571$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.814$ | | | | | |

The statement that ‘Islamic work ethics’ is measured; the responses given by the participants are shown on table 4.63. For the total sample 17.5% of the participants selected strongly agree, 16.7% agree, 29.2% neutral, 20.8% disagree and 15.8% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 17.9% vs. 16.7%, 17.9% vs. 13.9%, 25.0% vs. 38.9%, 25.0% vs. 11.1%, and 14.3% vs.19.4% respectively. There is no statistical significant association between the proportion of participants from the Islamic bank who selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 4.68, $df=4$ and $p=0.322$ (>0.05).

Table 4.63: Frequency of Islamic work ethics

| | | | Islamic work ethics | | | | | Total |
|------------|-------------------|-----------|---------------------|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 15 | 15 | 21 | 21 | 12 | 84 |
| | | % | 17.9% | 17.9% | 25.0% | 25.0% | 14.3% | 100.0% |
| | Conventional Bank | Frequency | 6 | 5 | 14 | 4 | 7 | 36 |
| | | % | 16.7% | 13.9% | 38.9% | 11.1% | 19.4% | 100.0% |
| Total | | Frequency | 21 | 20 | 35 | 25 | 19 | 120 |
| | | % | 17.5% | 16.7% | 29.2% | 20.8% | 15.8% | 100.0% |
| Chi-Square | | | $X^2= 4.682$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.322$ | | | | | |

With respect of ‘Islamic belief’ the responses given by the participants are shown on table 4.64. For the total sample only 7.5% of the participants selected strongly agree, 30.8% agree,

20.0% neutral, 28.3% disagree and 13.3% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 8.3% vs. 5.6%, 32.1% vs. 27.8%, 19.0% vs. 22.2%, 28.6% vs. 27.8%, and 11.9% vs. 16.7% respectively. As the results show, there is no statistical significant association between the proportion of participants from the Islamic bank who selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 0.98, $df=4$ and $p=0.913$ (>0.05).

Table 4.64: Frequency of Islamic belief

| | | | Islamic belief | | | | | Total |
|-------|-------------------|-----------|----------------|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 7 | 27 | 16 | 24 | 10 | 84 |
| | | % | 8.3% | 32.1% | 19.0% | 28.6% | 11.9% | 100.0% |
| | Conventional Bank | Frequency | 2 | 10 | 8 | 10 | 6 | 36 |
| | | % | 5.6% | 27.8% | 22.2% | 27.8% | 16.7% | 100.0% |
| Total | | Frequency | 9 | 37 | 24 | 34 | 16 | 120 |
| | | % | 7.5% | 30.8% | 20.0% | 28.3% | 13.3% | 100.0% |

To provide a comparative overall assessment, the descriptive statistics of the three statements for the whole sample and according the Islamic and Conventional banks are shown on table 4.65. For the whole sample with a mean of 2.85 “Islamic environment” ranked first. The mean is between agree and neutral and is closer to neutral. With a mean of 3.01 “Islamic work ethics” ranked second and with a mean of 3.09 “Islamic belief” ranked third. The means of the last two statements is between neutral and disagree. For the Islamic bank, the means for “Islamic environment, Islamic work ethics”, and “Islamic belief “are 2.87, 3.00 and 3.04 respectively. For the Conventional bank the corresponding figures are 2.81, 3.03 and 3.22 respectively. As the above results indicated that there are no significant differences between Islamic and conventional banks in relation to religion’s environment, beliefs, and ethics.

Table 4.65: Descriptive Statistics of Religion

| | Banks | | | | | | | | |
|---------------------|--------------|--------------------|----------------|-------------------|--------------------|----------------|-------|--------------------|----------------|
| | Islamic Bank | | | Conventional Bank | | | Total | | |
| | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation |
| Islamic environment | 2.87 | .15 | 1.33 | 2.81 | .20 | 1.21 | 2.85 | .12 | 1.29 |
| Islamic work ethics | 3.00 | .14 | 1.32 | 3.03 | .22 | 1.32 | 3.01 | .12 | 1.31 |
| Islamic belief | 3.04 | .13 | 1.20 | 3.22 | .20 | 1.20 | 3.09 | .11 | 1.20 |

4.4.1.11 Top Management Support

As part of the strategic implementation, ‘Top Management Support’ is also considered in this study, for which the results are presented in table 4.66. For the whole sample 35% of participants selected strongly agree that senior management supported the project; while 24.2% agree, 18.3% neutral, 15.8% disagree and 6.7% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 40.5% vs. 22.2%, 26.2% vs. 19.4%, 16.7% vs. 22.2%, 11.9% vs. 25.0%, and 4.8% vs. 11.1% respectively. The results indicate that there is no statistical significant association between the proportion of participants from the Islamic bank who selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 7.551, $df=4$ and $p=0.109$ (>0.05).

Table 4.66: Frequency of senior management supports

| | | | Senior management supports | | | | | Total |
|------------|-------------------|-----------|----------------------------|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 34 | 22 | 14 | 10 | 4 | 84 |
| | | % | 40.5% | 26.2% | 16.7% | 11.9% | 4.8% | 100.0% |
| | Conventional Bank | Frequency | 8 | 7 | 8 | 9 | 4 | 36 |
| | | % | 22.2% | 19.4% | 22.2% | 25.0% | 11.1% | 100.0% |
| Total | | Frequency | 42 | 29 | 22 | 19 | 8 | 120 |
| | | % | 35.0% | 24.2% | 18.3% | 15.8% | 6.7% | 100.0% |
| Chi-Square | | | $X^2=7.551$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.109$ | | | | | |

To compare the results, for the whole sample the mean for Senior management supports is 2.35 which is between agree and neutral and closer to agree (table 4.67). The mean for Islamic and Conventional banks are 2.14 and 2.83 respectively.

Table 4.67: Descriptive Statistics of Top Management Support

| Banks | Mean | Std. Error of Mean | Std. Deviation |
|-------------------|------|--------------------|----------------|
| Islamic Bank | 2.14 | .13 | 1.21 |
| Conventional Bank | 2.83 | .22 | 1.34 |
| Total | 2.35 | .12 | 1.29 |

4.4.1.12 Environmental Uncertainty

‘Environmental Uncertainty’ is also measured as an important part of strategy implementation, which is measured through three statements “Uncontrollable factors” and “The presence of the impediments” and “Other environmental factors”. Environmental uncertainty is referred to the extent to which any outside factor that can prevent the success of the strategy implementation such factors such as changing in business regulations, economic or financial crises, and business cycle of the country. As the responses for the first two statements were solicited on a 5-point-scale we will discuss them first.

As regard to ‘Uncontrollable factors’ the responses given by the participants are shown on table 4.68. For the total sample 27.5% of the participants selected strongly agree, 22.5% agree, 30.0% neutral, 15.8% disagree and 4.2% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 32.1% vs.16.7%, 26.2% vs. 13.9%, 32.1% vs.25.0%, 8.3% vs.33.3%, and 1.2% vs. 11.1% respectively. It should be noted that a significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 20.22, $df=4$ and $p=0.001$ (<0.05).

Table 4.68: Frequency of Uncontrollable factors

| | | | Uncontrollable factors | | | | | Total |
|------------|-------------------|-----------|------------------------|-------|---------|----------|-------------------|---------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 27 | 22 | 27 | 7 | 1 | 84 |
| | | % | 32.1% | 26.2% | 32.1% | 8.3% | 1.2% | 100.0 % |
| | Conventional Bank | Frequency | 6 | 5 | 9 | 12 | 4 | 36 |
| | | % | 16.7% | 13.9% | 25.0% | 33.3% | 11.1% | 100.0 % |
| Total | | Frequency | 33 | 27 | 36 | 19 | 5 | 120 |
| | | % | 27.5% | 22.5% | 30.0% | 15.8% | 4.2% | 100.0 % |
| Chi-Square | | | $X^2=20.218$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.001$ | | | | | |

With regards to ‘the presence of the impediments’ the distributions of answers given by participants are shown on table 4.69. For the whole sample 14.2% of participants selected strongly agree, 28.3% agree, 31.7% neutral, 18.3% disagree and 7.5% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 15.5% vs. 11.1%, 33.3% vs. 16.7%, 32.1% vs. 30.6%, 14.3% vs. 27.8%, and 4.8% vs. 13.9% respectively. There is no statistical significant association between the proportion of participants from the Islamic bank who selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 8.13, $df=4$ and $p=0.087$ (>0.05).

Table 4.69: Frequency of The presence of the impediments

| | | | The presence of the impediments | | | | | Total |
|------------|-------------------|-----------|---------------------------------|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 13 | 28 | 27 | 12 | 4 | 84 |
| | | % | 15.5% | 33.3% | 32.1% | 14.3% | 4.8% | 100.0% |
| | Conventional Bank | Frequency | 4 | 6 | 11 | 10 | 5 | 36 |
| | | % | 11.1% | 16.7% | 30.6% | 27.8% | 13.9% | 100.0% |
| Total | | Frequency | 17 | 34 | 38 | 22 | 9 | 120 |
| | | % | 14.2% | 28.3% | 31.7% | 18.3% | 7.5% | 100.0% |
| Chi-Square | | | $X^2=8.131$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.087$ | | | | | |

The comparative descriptive statistics of the two statements are shown on table 4.70. For the whole sample with a mean of 2.47 “Uncontrollable factors” ranked first followed by “The presence of the impediments” with a mean of 2.77. The former is closer to agree while the later is closer to neutral. For Islamic bank the mean for “Uncontrollable factors” is 2.20 and the mean for “The presence of the impediments” is 2.60. For the Conventional bank the means are 3.08 and 3.17 respectively.

Table 4.70: Descriptive Statistics of Environmental Uncertainty

| | Banks | | | | | | | | |
|---------------------------------|--------------|--------------------|----------------|-------------------|--------------------|----------------|-------|--------------------|----------------|
| | Islamic Bank | | | Conventional Bank | | | Total | | |
| | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation |
| Uncontrollable factors | 2.20 | 0.11 | 1.03 | 3.08 | 0.21 | 1.27 | 2.47 | 0.11 | 1.17 |
| The presence of the impediments | 2.60 | 0.12 | 1.07 | 3.17 | 0.20 | 1.21 | 2.77 | 0.10 | 1.14 |

Furthermore, under ‘Environmental Uncertainty’, the researcher asked the participants to select other environmental factors that affect the success of the implementation process. The answers given by the participants are shown on table 4.71. For the whole sample 27.5% of participants selected “business cycle”, 28.3% “regulation and legal issues”, 26.7% “financial crises”, and 17.5% Other. The corresponding percentages for Islamic and Conventional banks

are 31.0% vs. 19.4%, 26.2% vs. 33.3%, 27.4% vs. 25.0%, and 15.5% vs. 22.2% respectively. It should be noted that there is no statistically significant association between the proportion of participants from the Islamic bank who selected business cycle, regulation and legal issues, financial crises, or Other compared to the proportion of participants from the Conventional bank who business cycle, regulation and legal issues, financial crises, or Other with chi-square value of 2.38, $df=3$ and $p=0.498$ (>0.05).

Table 4.71: Frequency of Other environmental factors

| | | | Other environmental factors | | | | Total |
|------------|-------------------|-----------|-----------------------------|------------------------------|------------------|-------|--------|
| | | | Business cycle | Regulations and legal issues | Financial crises | Other | |
| Banks | Islamic Bank | Frequency | 26 | 22 | 23 | 13 | 84 |
| | | % | 31.0% | 26.2% | 27.4% | 15.5% | 100.0% |
| | Conventional Bank | Frequency | 7 | 12 | 9 | 8 | 36 |
| | | % | 19.4% | 33.3% | 25.0% | 22.2% | 100.0% |
| Total | | Frequency | 33 | 34 | 32 | 21 | 120 |
| | | % | 27.5% | 28.3% | 26.7% | 17.5% | 100.0% |
| Chi-Square | | | $X^2=2.376$ | | | | |
| | | | $df= 3$ | | | | |
| | | | $p=0.498$ | | | | |

4.4.1.13 Project Factors

Project factors are also considered as essential elements of the strategic implementation process, which are examined in detail as follow:

(i) Project priority

As regards to ‘project priority’, responses given by the participants are shown on table 4.72. For the whole sample 60.8% of participants said this particular project was a priority for the bank and 39.2% of participants said this particular project was not a priority for the bank. For the Islamic bank 64.3% said it was a priority while 35.7% said it was not. For the Conventional bank the corresponding figures are 52.8% and 47.2% respectively. There is no statistically significant association between the proportion of participants from the Islamic bank who selected “yes or no” compared to the proportion of participants from the Conventional bank who yes or no with chi-square value of 1.401, $df=1$ and $p=0.237$ (>0.05).

Table 4.72: Frequency of Project Priority

| | | | Project as priority | | Total |
|------------|-------------------|---------------|---------------------|-------|--------|
| | | | Yes | No | |
| Banks | Islamic Bank | Frequ ency | 54 | 30 | 84 |
| | | % | 64.3% | 35.7% | 100.0% |
| | Conventional Bank | Frequ ency | 19 | 17 | 36 |
| | | % | 52.8% | 47.2% | 100.0% |
| Total | | Frequ ency | 73 | 47 | 120 |
| | | % | 60.8% | 39.2% | 100.0% |
| Chi-Square | | | $X^2=1.401$ | | |
| | | | $df= 1$ | | |
| | | | $p=0.237$ | | |

(ii) Project's goal in line with bank's general goal

As can be seen from Table 4.73, of those from the whole sample who agreed that this particular project was a priority for the bank, just over 75.3% of participants agreed that the project's goal is in line with the bank's general goal while nearly 24.7% of participants said the project's goal is not in line with the bank's general goal. For the Islamic bank 79.6% said it was in line while 20.4% said it was not. For the Conventional bank the corresponding figures are 63.2% and 36.8% respectively. There is no statistically significant association between the proportion of participants from the Islamic bank who selected "yes or no" compared to the proportion of participants from the Conventional bank who *yes* or *no* with chi-square value of 2.053, $df=1$ and $p=0.215$ (>0.05).

Table 4.73: Frequency of Project's Goal to General Goal (if Yes in N1)

| | | | Project's goals are in line with the general goal | | Total |
|------------|-------------------|-----------|---|-------|--------|
| | | | Yes | No | |
| Banks | Islamic Bank | Frequency | 43 | 11 | 54 |
| | | % | 79.6% | 20.4% | 100.0% |
| | Conventional Bank | Frequency | 12 | 7 | 19 |
| | | % | 63.2% | 36.8% | 100.0% |
| Total | | Frequency | 55 | 18 | 73 |
| | | % | 75.3% | 24.7% | 100.0% |
| Chi-Square | | | $X^2=2.053$ | | |
| | | | $df= 1$ | | |
| | | | $p=0.215$ | | |

(iii) Problems influence on implementation of strategic decision

Four problems were identified namely “Decision was put ahead over other decisions”, “Other decisions has affected the implementation”, “There was a detailed plan”, and “Completed on the expected time”. Let us examine each one in turn.

As for ‘Decision was put ahead over other decisions’, the distributions of answers given by participants are shown on table 4.74. For the whole sample 36.7% of participants selected strongly agree, 23.3% agree, 14.2% neutral, 18.3% disagree and 7.5% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 44.0% vs. 19.4%, 21.4% vs. 27.8%, 11.9% vs. 19.4%, 15.5% vs. 25.0%, and 7.1% vs. 8.3% respectively. As the results show there is no statistically significant association between the proportion of participants from the Islamic bank who selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 6.90, $df=4$ and $p=0.141$ (>0.05).

Table 4.74: Frequency of Decision was put ahead over other decisions

| | | | Decision was put ahead over other decisions | | | | | Total |
|------------|-------------------|-----------|---|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 37 | 18 | 10 | 13 | 6 | 84 |
| | | % | 44.0% | 21.4% | 11.9% | 15.5% | 7.1% | 100.0% |
| | Conventional Bank | Frequency | 7 | 10 | 7 | 9 | 3 | 36 |
| | | % | 19.4% | 27.8% | 19.4% | 25.0% | 8.3% | 100.0% |
| Total | | Frequency | 44 | 28 | 17 | 22 | 9 | 120 |
| | | % | 36.7% | 23.3% | 14.2% | 18.3% | 7.5% | 100.0% |
| Chi-Square | | | $X^2=6.901$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.141$ | | | | | |

With regards to ‘Other decisions have affected the implementation’ the distributions of answers given by participants are shown on table 4.75. For the whole sample 20.8% of participants selected strongly agree, 15.8% agree, 26.7% neutral, 20.8% disagree and 15.8% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 21.4% vs. 19.4%, 16.7% vs. 13.9%, 20.2% vs. 41.7%, 22.6% vs. 16.7%, and 19.0% vs. 8.3% respectively. As the results indicate, there is no statistically significant association between the proportion of participants from the Islamic bank who selected strongly agree or agree

compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 6.76, $df=4$ and $p=0.141$ (>0.05).

Table 4.75: Frequency of Other decisions has affected the implementation

| | | | Other decisions has affected the implementation | | | | | Total |
|------------|-------------------|-----------|---|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 18 | 14 | 17 | 19 | 16 | 84 |
| | | % | 21.4% | 16.7% | 20.2% | 22.6% | 19.0% | 100.0% |
| | Conventional Bank | Frequency | 7 | 5 | 15 | 6 | 3 | 36 |
| | | % | 19.4% | 13.9% | 41.7% | 16.7% | 8.3% | 100.0% |
| Total | | Frequency | 25 | 19 | 32 | 25 | 19 | 120 |
| | | % | 20.8% | 15.8% | 26.7% | 20.8% | 15.8% | 100.0% |
| Chi-Square | | | $X^2= 6.756$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.149$ | | | | | |

With regards to the statement that ‘There was a detailed plan’ the responses given by the participants are shown on table 4.76. For the total sample 28.3% of the participants selected strongly agree, 29.2% agree, 19.2% neutral, 13.3% disagree and 10% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 32.1% vs. 19.4%, 36.9% vs. 11.1%, 11.9% vs. 36.1%, 13.1% vs. 13.9%, and 6.0% vs. 19.4% respectively. A significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 19.49, $df=4$ and $p=0.001$ (<0.05).

Table 4.76: Frequency of There was a detailed plan

| | | | There was a detailed plan | | | | | Total | |
|------------|-------------------|-----------|---------------------------|-------|---------|----------|-------------------|--------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | | |
| Banks | Islamic Bank | Frequency | 27 | 31 | 10 | 11 | 5 | 84 | |
| | | % | 32.1% | 36.9% | 11.9% | 13.1% | 6.0% | 100.0% | |
| | Conventional Bank | Frequency | 7 | 4 | 13 | 5 | 7 | 36 | |
| | | % | 19.4% | 11.1% | 36.1% | 13.9% | 19.4% | 100.0% | |
| | Total | | Frequency | 34 | 35 | 23 | 16 | 12 | 120 |
| | | | % | 28.3% | 29.2% | 19.2% | 13.3% | 10.0% | 100.0% |
| Chi-Square | | | $X^2=19.486$ | | | | | | |
| | | | $df= 4$ | | | | | | |
| | | | $p=0.001$ | | | | | | |

With regards to the statement that ‘Completed on the expected time’, the responses given by the participants are shown on table 4.77. For the total sample 24.2% of the participants selected strongly agree, 27.5% agree, 26.7% neutral, 15.0% disagree and 6.7% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 27.4% vs.16.7%, 33.3% vs. 13.9%, 23.8% vs.33.3%, 14.3% vs.16.7%, and 1.2% vs.19.4% respectively. As the results show a significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 18.21, $df=4$ and $p=0.001$ (<0.05).

Table 4.77: Frequency of Completed on the expected time

| | | | Completed on the expected time | | | | | Total |
|------------|-------------------|-----------|--------------------------------|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 23 | 28 | 20 | 12 | 1 | 84 |
| | | % | 27.4% | 33.3% | 23.8% | 14.3% | 1.2% | 100.0% |
| | Conventional Bank | Frequency | 6 | 5 | 12 | 6 | 7 | 36 |
| | | % | 16.7% | 13.9% | 33.3% | 16.7% | 19.4% | 100.0% |
| Total | | Frequency | 29 | 33 | 32 | 18 | 8 | 120 |
| | | % | 24.2% | 27.5% | 26.7% | 15.0% | 6.7% | 100.0% |
| Chi-Square | | | $X^2=18.209$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.001$ | | | | | |

The descriptive statistics of the four problems (statements) are shown on table 4.78 in a comparative manner for the bank types. For the whole sample with a mean of 2.37 “Decision was put ahead over other decisions” was rated first. With a mean of 2.48 “There was a detailed plan” was rated second and with a mean of 2.52 “Completed on the expected time” was ranked third. Finally with a mean of 2.95 “Other decisions has affected the implementation” was rated fourth. For Islamic bank the mean of “Decision was put ahead over other decisions” is 2.20, for “Other decisions has affected the implementation” the mean is 3.01, for “There was a detailed plan” the mean is 2.24 and for “Completed on the expected time” the mean is 2.29. The corresponding figures for the Conventional bank are 2.75, 2.81, 3.03 and 3.08 respectively.

Table 4.78: Descriptive Statistics of Problems

| | Banks | | | | | | | | |
|---|--------------|--------------------|----------------|-------------------|--------------------|----------------|-------|--------------------|----------------|
| | Islamic Bank | | | Conventional Bank | | | Total | | |
| | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation |
| Decision was put ahead over other decisions | 2.20 | 0.15 | 1.34 | 2.75 | 0.21 | 1.27 | 2.37 | 0.12 | 1.34 |
| Other decisions has affected the implementation | 3.01 | 0.16 | 1.43 | 2.81 | 0.20 | 1.19 | 2.95 | 0.12 | 1.36 |
| There was a detailed plan | 2.24 | 0.13 | 1.21 | 3.03 | 0.23 | 1.36 | 2.48 | 0.12 | 1.30 |
| Completed on the expected time | 2.29 | 0.12 | 1.06 | 3.08 | 0.22 | 1.34 | 2.52 | 0.11 | 1.20 |

(iv) How long has it taken to implement the sampled project?

The participants were asked how long it has taken to implement particular strategy implementation project selected to be examined in this study.. The responses of participants are shown on table 4.79. For the total sample 21.7% of the participants selected less than one year, 40.0% 1-3 years, 26.7% 3-5 years, 7.5% 5-10 years and 4.2% selected over 10 years. The corresponding percentages for Islamic and Conventional banks are 13.1% vs. 41.7%, 41.7% vs. 36.1%, 31.0% vs. 16.7%, 9.5% vs. 2.8%, and 4.8% vs. 2.8% respectively. It should be noted that a significantly smaller proportion of participants from the Islamic bank selected *less than one year* or *1-3 years* compared to the proportion of participants from the Conventional bank who selected less than one year or 1-3 years with chi-square value of 13.39, $df=4$ and $p=0.009$ (<0.05).

Table 4.79: Frequency of How long has it taken to implement this project

| | | | How long has it taken to implement this project | | | | | Total |
|------------|-------------------|-----------|---|--------------|--------------|---------------|------------------|--------|
| | | | Less than one year | 1-3 years | 3-5 years | 5-10 years | Over 10 years | |
| Banks | Islamic Bank | Frequency | 11 | 35 | 26 | 8 | 4 | 84 |
| | | % | 13.1% | 41.7% | 31.0% | 9.5% | 4.8% | 100.0% |
| | Conventional Bank | Frequency | 15 | 13 | 6 | 1 | 1 | 36 |
| | | % | 41.7% | 36.1% | 16.7% | 2.8% | 2.8% | 100.0% |
| Total | | Frequency | 26 | 48 | 32 | 9 | 5 | 120 |
| | | % | 21.7% | 40.0% | 26.7% | 7.5% | 4.2% | 100.0% |
| Chi-Square | | | $X^2=13.385$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.009$ | | | | | |

(v) Financial value/share of the project

In terms of total value to the bank the percentage of asset that this project represent is shown on table 4.80. For the whole sample 25.8% of participants said the project represented 1%-5% of the bank, 27.5% said 5%-10%, 25.0% said 10%-15%, 15.0% said 15%-20% and 6.7% said the project represented more than 20% of the value of the bank. The corresponding percentages for Islamic and Conventional banks are 23.8% vs. 30.6%, 28.6% vs. 25.0%, 23.8% vs. 27.8%, 16.7% vs. 11.1%, and 7.1% vs. 5.6% respectively. As the results indicate, there is no statistically significant association between the proportion of participants from the Islamic bank who selected 1%-5%, 5%-10%, 10%-15%, 15%-20% or >20% compared to the proportion of participants from the Conventional bank who selected 1%-5%, 5%-10%, 10%-15%, 15%-20% or >20% with chi-square value of 1.33, $df=4$ and $p=0.856$ (>0.05).

Table 4.80: Frequency of Financial value/share of the project

| | | | Financial value/share of the project | | | | | Total |
|------------|-------------------|-----------|--------------------------------------|---------|----------|----------|----------------------------------|--------|
| | | | 1% - 5% | 5%- 10% | 10%- 15% | 15%- 20% | More than 20% of the total value | |
| Banks | Islamic Bank | Frequency | 20 | 24 | 20 | 14 | 6 | 84 |
| | | % | 23.8% | 28.6% | 23.8% | 16.7% | 7.1% | 100.0% |
| | Conventional Bank | Frequency | 11 | 9 | 10 | 4 | 2 | 36 |
| | | % | 30.6% | 25.0% | 27.8% | 11.1% | 5.6% | 100.0% |
| Total | | Frequency | 31 | 33 | 30 | 18 | 8 | 120 |
| | | % | 25.8% | 27.5% | 25.0% | 15.0% | 6.7% | 100.0% |
| Chi-Square | | | $X^2=1.333$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.856$ | | | | | |

(vi) Size of the project

The results for the size of the project are shown in table 4.81. For the whole sample 22.5% of participants said the project represented a mega project for the bank, 44.2% said large project, 19.2% said medium size project, and 14.2% said the project represented a small project. The corresponding percentages for Islamic and Conventional banks are 22.6% vs. 22.2%, 46.4% vs. 38.9%, 16.7% vs. 25.0%, and 14.3% vs. 13.9% respectively. The results show that there is no statistically significant association between the proportion of participants from the Islamic bank who selected mega project, large project, medium size project or small project compared to the proportion of participants from the Conventional bank who selected mega project, large project, medium size project or small project with chi-square value of 1.24, $df=4$ and $p=0.743$ (>0.05).

Table 4.81: Frequency of Size of the project

| | | | Size of the project | | | | Total |
|------------|-------------------|-----------|---------------------|---------------|---------------------|---------------|--------|
| | | | Mega project | Large project | Medium size project | Small project | |
| Banks | Islamic Bank | Frequency | 19 | 39 | 14 | 12 | 84 |
| | | % | 22.6% | 46.4% | 16.7% | 14.3% | 100.0% |
| | Conventional Bank | Frequency | 8 | 14 | 9 | 5 | 36 |
| | | % | 22.2% | 38.9% | 25.0% | 13.9% | 100.0% |
| Total | | Frequency | 27 | 53 | 23 | 17 | 120 |
| | | % | 22.5% | 44.2% | 19.2% | 14.2% | 100.0% |
| Chi-Square | | | $X^2=1.242$ | | | | |
| | | | $df= 3$ | | | | |
| | | | $p=0.743$ | | | | |

(vii) Term of project

For the variable ‘term of project’, responses given by the participants are summarised in table 4.82. For the whole sample 52.5% of participants said this project was long term and 47.5% of participants said it was short term. For the Islamic bank 56.0% said it was long term while 44.0% said it was short term. For the Conventional bank the corresponding figures are 44.4% and 55.6% respectively. The results show that there is no statistically significant association between the proportion of participants from the Islamic bank who selected “long term or short term” compared to the proportion of participants from the Conventional bank who selected “long term or short term “ with chi-square value of 1.34, $df=1$ and $p=0.247$ (>0.05).

Table 4.82: Frequency of Term of Project (long or short term)

| | | | Consider this project | | Total |
|------------|-------------------|-----------|-----------------------------------|------------------------------------|--------|
| | | | Project with long term completion | Project with short term completion | |
| Banks | Islamic Bank | Frequency | 47 | 37 | 84 |
| | | % | 56.0% | 44.0% | 100.0% |
| | Conventional Bank | Frequency | 16 | 20 | 36 |
| | | % | 44.4% | 55.6% | 100.0% |
| Total | | Frequency | 63 | 57 | 120 |
| | | % | 52.5% | 47.5% | 100.0% |
| Chi-Square | | | $X^2=1.338$ | | |
| | | | $df= 1$ | | |
| | | | $p=0.247$ | | |

(viii) Specific project tasks

In terms of specific project tasks (project engineers, technical people, equipment and training programmes), the responses given by the participants are shown on table 4.83. For the total sample 27.5% of the participants selected strongly agree, 25.8% agree, 22.5% neutral, 9.2% disagree and 15% strongly disagree. The corresponding percentages for Islamic and Conventional banks are 31.0% vs. 19.4%, 32.1% vs.11.1%, 17.9% vs.33.3%, 8.3% vs.11.1%, and 10.7% vs.25.0% respectively. A significantly higher proportion of participants from the Islamic bank selected strongly agree or agree compared to the proportion of participants from the Conventional bank who selected strongly agree or agree with chi-square value of 11.85, $df=4$ and $p=0.018$ (<0.05).

Table 4.83: Frequency of Technical Tasks

| | | | Technical Tasks | | | | | Total |
|------------|-------------------|-----------|-----------------|-------|---------|----------|-------------------|--------|
| | | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | |
| Banks | Islamic Bank | Frequency | 26 | 27 | 15 | 7 | 9 | 84 |
| | | % | 31.0% | 32.1% | 17.9% | 8.3% | 10.7% | 100.0% |
| | Conventional Bank | Frequency | 7 | 4 | 12 | 4 | 9 | 36 |
| | | % | 19.4% | 11.1% | 33.3% | 11.1% | 25.0% | 100.0% |
| Total | | Frequency | 33 | 31 | 27 | 11 | 18 | 120 |
| | | % | 27.5% | 25.8% | 22.5% | 9.2% | 15.0% | 100.0% |
| Chi-Square | | | $X^2=11.852$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.018$ | | | | | |

The descriptive statistics of project specific tasks are shown in table 4.84 in a comparative manner for bank types. For the whole sample the mean is 2.58 which lie almost half way between agree and neutral. For Islamic bank the mean is 2.36 while for Conventional bank the mean is 3.11.

Table 4.84: Descriptive Statistics of Technical Tasks

| Banks | Mean | Std. Error of Mean | Std. Deviation |
|-------------------|------|--------------------|----------------|
| Islamic Bank | 2.36 | .14 | 1.30 |
| Conventional Bank | 3.11 | .24 | 1.43 |
| Total | 2.58 | .13 | 1.38 |

4.5. STRATEGY IMPLEMENTATION OUTCOMES

The researcher evaluate the overall success of the strategy implementation process by asking the participants to give their response on a 5 point-scale where 1= very successful and 5= no success. The six statements used are “Project was completed in the specified period”, “Achieved the initial goals of the decision”, “Achieved the financial results and other targets expected”, “The project is considered as satisfied and success”, “The project was carried out within the resources initially budgeted”, and “Were the results of the decision accepted”. The following section will examine each statement in turn.

As regards to ‘Project was completed in the specified period’, the responses given by the participants are shown on table 4.85. For the total sample 25.8% of the participants selected

very successful, 27.5% selected successful, 23.3% selected neutral, 19.2% selected low success and 4.2% selected no success. The corresponding percentages for Islamic and Conventional banks are 32.1% vs. 11.1%, 32.1% vs. 16.7%, 20.2% vs. 30.6%, 13.1% vs. 33.3%, and 4.2% vs. 8.3% respectively. As the results in Table 4.85 show a significantly higher proportion of participants from the Islamic bank selected very successful or successful compared to the proportion of participants from the Conventional bank who selected very successful or successful with chi-square value of 15.19, $df=4$ and $p=0.004$ (<0.05).

Table 4.85: Frequency of Project was completed in the specified period

| | | | Project was completed in the specified period | | | | | Total |
|------------|-------------------|-----------|---|------------|---------|-------------|------|--------|
| | | | Very Successful | Successful | Neutral | Low Success | | |
| | | | | | | No success | | |
| kBanks | Islamic Bank | Frequency | 27 | 27 | 17 | 11 | 2 | 84 |
| | | % | 32.1% | 32.1% | 20.2% | 13.1% | 2.4% | 100.0% |
| | Conventional Bank | Frequency | 4 | 6 | 11 | 12 | 3 | 36 |
| | | % | 11.1% | 16.7% | 30.6% | 33.3% | 8.3% | 100.0% |
| Total | | Frequency | 31 | 33 | 28 | 23 | 5 | 120 |
| | | % | 25.8% | 27.5% | 23.3% | 19.2% | 4.2% | 100.0% |
| Chi-Square | | | $X^2=15.187$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.004$ | | | | | |

With regards to ‘the project was carried out within the resources initially budgeted’, the responses given by the participants are shown on table 4.86. For the total sample 18.3% of the participants selected very successful, 25.8% selected successful, 23.3% selected neutral, 22.5% selected low successful and 10.0% selected no success. The corresponding percentages for Islamic and Conventional banks are 20.2% vs. 13.9%, 29.8% vs. 16.7%, 14.3% vs. 44.4%, 26.2% vs. 13.9%, and 9.5% vs. 11.1% respectively. As the results show, a significantly higher proportion of participants from the Islamic bank selected very successful or successful compared to the proportion of participants from the Conventional bank who selected very successful or successful with chi-square value of 13.81, $df=4$ and $p=0.008$ (<0.05).

Table 4.86: Frequency of The project was carried out within the resources initially budgeted

| | | | The project was carried out within the resources initially budgeted | | | | | Total |
|------------|-------------------|-----------|---|------------|---------|-------------|------------|--------|
| | | | Very Successful | Successful | Neutral | Low Success | No success | |
| Banks | Islamic Bank | Frequency | 17 | 25 | 12 | 22 | 8 | 84 |
| | | % | 20.2% | 29.8% | 14.3% | 26.2% | 9.5% | 100.0% |
| | Conventional Bank | Frequency | 5 | 6 | 16 | 5 | 4 | 36 |
| | | % | 13.9% | 16.7% | 44.4% | 13.9% | 11.1% | 100.0% |
| Total | | Frequency | 22 | 31 | 28 | 27 | 12 | 120 |
| | | % | 18.3% | 25.8% | 23.3% | 22.5% | 10.0% | 100.0% |
| Chi-Square | | | $X^2=13.808$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.008$ | | | | | |

As for ‘Achieved the initial goals of the decision’, the responses given by the participants are shown on table 4.87. For the total sample 23.3% of the participants selected very successful, 28.3% selected successful, 23.3% selected neutral, 13.3% selected low success and 11.7% selected no success. The corresponding percentages for Islamic and Conventional banks are 25.0% vs. 19.4%, 38.1% vs.5.6%, 19.0% vs. 33.3%, 10.7% vs.19.4%, and 7.1% vs.22.2% respectively. It can be noticed that a significantly higher proportion of participants from the Islamic bank selected very successful or successful compared to the proportion of participants from the Conventional bank who selected very successful or successful with chi-square value of 18.31, $df=4$ and $p=0.001$ (<0.05).

Table 4.87: Frequency of Achieved the initial goals of the decision

| | | | Achieved the initial goals of the decision | | | | | Total |
|------------|-------------------|-----------|--|------------|---------|-------------|------------|--------|
| | | | Very Successful | Successful | Neutral | Low Success | No success | |
| Bank s | Islamic Bank | Frequency | 21 | 32 | 16 | 9 | 6 | 84 |
| | | % | 25.0% | 38.1% | 19.0% | 10.7% | 7.1% | 100.0% |
| | Conventional Bank | Frequency | 7 | 2 | 12 | 7 | 8 | 36 |
| | | % | 19.4% | 5.6% | 33.3% | 19.4% | 22.2% | 100.0% |
| Total | | Frequency | 28 | 34 | 28 | 16 | 14 | 120 |
| | | % | 23.3% | 28.3% | 23.3% | 13.3% | 11.7% | 100.0% |
| Chi-Square | | | $X^2=18.307$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.001$ | | | | | |

As far as ‘Achieved the financial results and other targets expected’ statement is considered, the responses given by the participants are shown in table 4.88. For the total sample 23.3% of the participants selected very successful, 26.7% selected successful, 30.0% selected neutral, 11.7% selected low success and 8.3% selected no success. The corresponding percentages for Islamic and Conventional banks are 26.2% vs.16.7%, 28.6% vs.22.2%, 33.3% vs.22.2%, 8.3% vs.19.4%, and 3.6% vs.19.4% respectively. As can be seen from the results that a significantly higher proportion of participants from the Islamic bank selected successful or very successful compared to the proportion of participants from the Conventional bank who selected successful or very successful with chi-square value of 12.68, $df=4$ and $p=0.013$ (<0.05).

Table 4.88: Frequency of Achieved the financial results and other targets expected

| | | | Achieved the financial results and other targets expected | | | | | Total | |
|------------|-------------------|-----------|---|------------|---------|----------------|------------|---------|---------|
| | | | Very Successful | Successful | Neutral | Low Successful | No success | | |
| Banks | Islamic Bank | Frequency | 22 | 24 | 28 | 7 | 3 | 84 | |
| | | % | 26.2% | 28.6% | 33.3% | 8.3% | 3.6% | 100.0 % | |
| | Conventional Bank | Frequency | 6 | 8 | 8 | 7 | 7 | 36 | |
| | | % | 16.7% | 22.2% | 22.2% | 19.4% | 19.4% | 100.0 % | |
| | Total | | Frequency | 28 | 32 | 36 | 14 | 10 | 120 |
| | | | % | 23.3% | 26.7% | 30.0% | 11.7% | 8.3% | 100.0 % |
| Chi-Square | | | $X^2=12.683$ | | | | | | |
| | | | $df= 4$ | | | | | | |
| | | | $p=0.013$ | | | | | | |

With regards to the statement that ‘The project is considered as satisfied and success’, table 4.89 depicts the results. For the total sample 30.0% of the participants selected very successful, 19.2% selected successful, 21.7% selected neutral, 13.3% selected low success and 15.8% selected no success. The corresponding percentages for Islamic and Conventional banks are 31.0% vs.27.8%, 20.2% vs.16.7%, 20.2% vs.25.0%, 10.7% vs.19.4%, and 17.9% vs.11.1% respectively. As can be seen from table 4.89, there is no statistically significant difference between the proportion of participants from the Islamic bank who selected very successful or successful compared to the proportion of participants from the Conventional bank who selected very successful or successful with chi-square value of 2.68, $df=4$ and $p=0.613$ (>0.05).

Table 4.89: Frequency of The project is considered as satisfied and success

| | | | The project is considered as satisfied and success | | | | | Total |
|------------|-------------------|-----------|--|------------|---------|-------------|------------|--------|
| | | | Very Successful | Successful | Neutral | Low Success | No success | |
| Banks | Islamic Bank | Frequency | 26 | 17 | 17 | 9 | 15 | 84 |
| | | % | 31.0% | 20.2% | 20.2% | 10.7% | 17.9% | 100.0% |
| | Conventional Bank | Frequency | 10 | 6 | 9 | 7 | 4 | 36 |
| | | % | 27.8% | 16.7% | 25.0% | 19.4% | 11.1% | 100.0% |
| Total | | Frequency | 36 | 23 | 26 | 16 | 19 | 120 |
| | | % | 30.0% | 19.2% | 21.7% | 13.3% | 15.8% | 100.0% |
| Chi-Square | | | $X^2=2.681$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.613$ | | | | | |

As regards to the question that ‘Were the results of the decision accepted’ the responses given by the participants are shown on table 4.90. For the total sample 25.0% of the participants selected very successful, 20.0% selected successful, 30.0% selected neutral, 20.0% selected low success and 5.0% selected no success. The corresponding percentages for Islamic and Conventional banks are 28.6% vs. 16.7%, 19.0% vs.22.2%, 27.4% vs.36.1%, 20.2% vs.19.4%, and 4.8% vs. 5.6% respectively. As the results depicted in Table 4.90 show, there is no statistically significant difference between the proportion of participants from the Islamic bank who selected very successful or successful compared to the proportion of participants from the Conventional bank who selected very successful or successful with chi-square value of 2.24, $df=4$ and $p=0.693$ (>0.05).

Table 4.90: Frequency of “were the results of the decision accepted”

| | | | Were the results of the decision accepted | | | | | Total |
|------------|-------------------|-----------|---|------------|---------|-------------|------------|--------|
| | | | Very Successful | Successful | Neutral | Low Success | No success | |
| Banks | Islamic Bank | Frequency | 24 | 16 | 23 | 17 | 4 | 84 |
| | | % | 28.6% | 19.0% | 27.4% | 20.2% | 4.8% | 100.0% |
| | Conventional Bank | Frequency | 6 | 8 | 13 | 7 | 2 | 36 |
| | | % | 16.7% | 22.2% | 36.1% | 19.4% | 5.6% | 100.0% |
| Total | | Frequency | 30 | 24 | 36 | 24 | 6 | 120 |
| | | % | 25.0% | 20.0% | 30.0% | 20.0% | 5.0% | 100.0% |
| Chi-Square | | | $X^2=2.235$ | | | | | |
| | | | $df= 4$ | | | | | |
| | | | $p=0.693$ | | | | | |

The descriptive statistics of the six statements that measures the success or failure of the strategy implementation are shown on table 4.91. For the whole sample the mean ranges from a maximum of 2.80 for the statement “The project was carried out within the resources initially budgeted” to a minimum of 1.51 for the statement “Has the project achieved the expected results”. For the Islamic bank the mean ranges from a maximum of 2.75 for the “The project was carried out within the resources initially budgeted” to a minimum of 1.51 for statement “Has the project achieved the expected results” just as for the whole sample. For the Conventional bank the mean ranges from a maximum of 3.19 for the statement “Achieved the initial goals of the decision” to a minimum of 1.50 for the statement “Has the project achieved the expected results”.

Table 4.91: Descriptive Statistics of Project outcomes

| | Banks | | | | | | | | |
|---|--------------|--------------------|----------------|-------------------|--------------------|----------------|-------|--------------------|----------------|
| | Islamic Bank | | | Conventional Bank | | | Total | | |
| | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation | Mean | Std. Error of Mean | Std. Deviation |
| Project was completed in the specified period | 2.21 | 0.12 | 1.11 | 3.11 | 0.19 | 1.14 | 2.48 | 0.11 | 1.19 |
| The project was carried out within the resources initially budgeted | 2.75 | 0.14 | 1.31 | 2.92 | 0.19 | 1.16 | 2.80 | 0.12 | 1.26 |
| Achieved the initial goals of the decision | 2.37 | 0.13 | 1.18 | 3.19 | 0.23 | 1.39 | 2.62 | 0.12 | 1.30 |
| Achieved the financial results and other targets expected | 2.35 | 0.12 | 1.07 | 3.03 | 0.23 | 1.38 | 2.55 | 0.11 | 1.21 |
| The project is considered as satisfied and success | 2.64 | 0.16 | 1.47 | 2.69 | 0.23 | 1.37 | 2.66 | 0.13 | 1.43 |
| Were the results of the decision accepted | 2.54 | 0.13 | 1.24 | 2.75 | 0.19 | 1.13 | 2.60 | 0.11 | 1.21 |
| Has the project achieved the expected results | 1.51 | 0.05 | .50 | 1.50 | 0.08 | .51 | 1.51 | 0.05 | 0.50 |

As shown on table 4.93 for the whole sample less than half (49.2%) of the participants stated that the project achieved it expected results, while 50.8% of participants said the project did not achieved the expected results. For the Islamic bank, 48.8% of the participants said yes

while 51.2% of them said no. The corresponding figures for the Conventional bank are 50.0% and 50.0% respectively. There is no statistically significant difference in the proportion of participants from the Islamic bank who selected “yes or no” compared to the proportion of participants from the Conventional banks who selected yes or no with a Chi-square value of 0.014, $df=1$ and $p=0.905$ (>0.05).

Table 4.92: Frequency of has the project achieved the expected results

| | | | Has the project achieved the expected results | | Total |
|------------|-------------------|-----------|---|-------|--------|
| | | | Yes | No | |
| Banks | Islamic Bank | Frequency | 41 | 43 | 84 |
| | | % | 48.8% | 51.2% | 100.0% |
| | Conventional Bank | Frequency | 18 | 18 | 36 |
| | | % | 50.0% | 50.0% | 100.0% |
| Total | | Frequency | 59 | 61 | 120 |
| | | % | 49.2% | 50.8% | 100.0% |
| Chi-Square | | | $X^2= 0.014$ | | |
| | | | $df= 1$ | | |
| | | | $p=0.905$ | | |

As can be seen in Table 4.93, of those who stated that the project achieved the expected results, for the whole sample 33.9% said it achieved 75%-100% of the results, 57.6% said it achieved 50%-75% of the results, 6.8% said it achieved 25%-50% of the results, and 1.7% said it achieved less than 25% of the results (table 4.94). The corresponding percentages for Islamic and Conventional banks are 34.1% vs.33.3%, 56.1% vs. 61.1%, 7.3% vs.5.6%, and 2.4% vs.0.0% respectively. As can be seen from the results, there is no statistically significant difference between the proportion of participants from the Islamic bank who selected 75%-100%,50%-75%, 25%-50% or $< 25\%$ compared to the proportion of participants from the Conventional bank who selected 75%-100%, 50%-75%, 25%-50% or $< 25\%$ with chi-square value of 0.55, $df=3$ and $p=1.00$ (>0.05).

Table 4.93: Frequency of How much of the expected results have been achieved

| | | | How much of the expected results have been achieved | | | | Total |
|------------|-------------------|-----------|---|-----------|-----------|-------|--------|
| | | | 75% - 100% | 50% - 75% | 25% - 50% | < 25% | |
| Banks | Islamic Bank | Frequency | 14 | 23 | 3 | 1 | 41 |
| | | % | 34.1% | 56.1% | 7.3% | 2.4% | 100.0% |
| | Conventional Bank | Frequency | 6 | 11 | 1 | 0 | 18 |
| | | % | 33.3% | 61.1% | 5.6% | .0% | 100.0% |
| Total | | Frequency | 20 | 34 | 4 | 1 | 59 |
| | | % | 33.9% | 57.6% | 6.8% | 1.7% | 100.0% |
| Chi-Square | | | X ² =0.553 | | | | |
| | | | df= 3 | | | | |
| | | | p=1.00 | | | | |

4.6 SUMMARY

This chapter presented the descriptive analysis of questionnaire survey for both Islamic and Conventional banks in terms of their strategy implementation in regards to the identified case studies. The total participants in the questionnaire survey were 120 employees across middle management level, 84 employees from two Islamic banks and 36 from a conventional bank. All participants were male with almost %50 have 5 to 15 years bank experience.

In this chapter, background information for participants regarding both types of the banks is described as well as the factors which may influence the strategy implementation. The outcomes of the strategy implementation are statistically described in this chapter. The next two chapters present two more empirical results focusing on further analysis and model testing, and also an interviews analysis chapter which will provide qualitative meaning to the results. The results are then entirely discussed in Chapter 7.

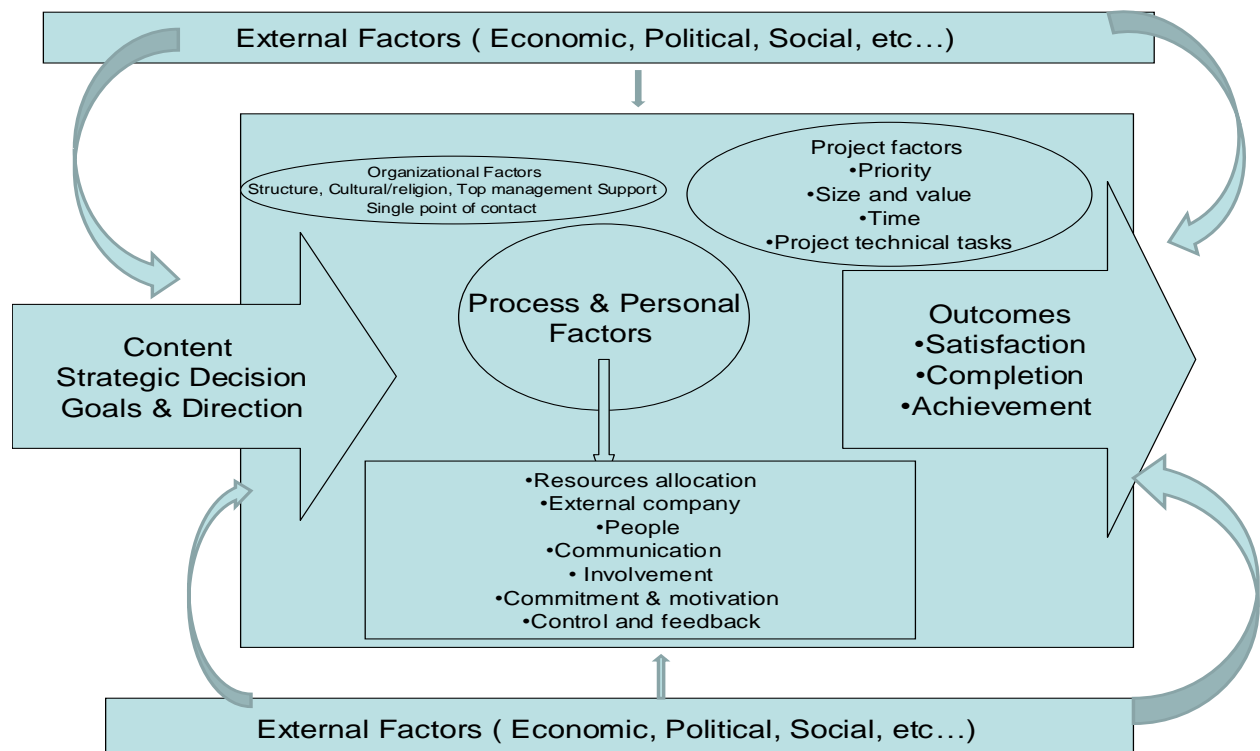
Chapter 5:

INFERENTIAL STATISTICAL ANALYSIS AND MODEL TESTING

5.1 INTRODUCTION

After presenting the previous chapter on descriptive data analysis, this chapter details the inferential statistical analysis results attained from the questionnaire survey which were distributed straight after interviews in order to gather the needed information and solid case study from the interview method. As mentioned in the Research Methodology (Chapter 3), the questionnaires were distributed among middle management level both in conventional and Islamic banks. Three banks were participated in this research: two Islamic banks and one conventional bank. As for the sampled managers; 57 middle managers including team-leaders and supervisors from the Islamic bank 1, 27 middle managers including team-leaders and supervisors from the Islamic bank 2, 36 middle managers including team-leaders and supervisors from the conventional bank were participated at this research. After presenting the detailed descriptive analysis on the questionnaire survey in Chapter 5, this chapter provides inferential analyses based on correlation analysis, and regression analysis.

Figure 5.1: Underlying Structure of Pre-Determined Factors in the Questionnaire



In recalling, the questionnaire consists of main factors and sub-factors. The sub-factors in turn are consisted of individual questionnaire items as shown below.

(i) Process and Personal Factors

- Resource allocation
- People
- Communication
- Involvement
- Commitment and Motivation
- Control and Feedback
- Interest Group
- Outsourcing/ External company

(ii) Organisational Factors

- Organizational structure
- Single point of contact:
- Organisational Cultural
- Religion
- Top management support

(ii) External Factors

- External Factors

(iv) Project Factors

- Priority
- Size and Value
- Time
- Project technical tasks

(v) Outcomes Factors

- Satisfaction
- Completion
- Achievement

5.2. EMPIRICAL FINDINGS IN RELATION TO THE UNDERLYING STRUCTURE OF PRE-DETERMINED FACTORS

In this section, an empirical attempt is given to analyse the structures and to find any relationships between them by using descriptive statistics, correlation analysis, and regression. In conducting the analysis through these methods, since the variables were divided into main factors and sub-factors, as identified above, first the sub-factors are analysed under their respective main factors.

5.2.1. Process and Personal Factors

The sub-factors under process and personal factors and the individual items under each sub-factor are shown below:

- (i) Resource Allocation;
- (ii) People;
- (iii) Communication;
- (iv) Involvement;
- (v) Commitment and motivation;
- (vi) Control and feedback;
- (vii) Interest group;
- (viii) External company.

As the individual items were analysed through descriptive methods in Chapter 4, in this chapter we concentrate on the sub-factors and their relationship with project outcomes factors. The correlation amongst the sub-factors including the *outcome factors* for the whole sample is measured, which is depicted in Table 5.2.

As the results in Table 5.2 depict, amongst the sub-factors the correlation coefficient range from a minimum of 0.13 ($p>0.05$) between ‘people and interest group’ to a maximum of 0.51 ($p<0.01$) between ‘communication and control and feedback’. ‘Outcome’ *factors* have the highest correlation coefficient of 0.45 with the ‘involvement’, while the next highest is 0.43 with ‘commitment and motivation’. ‘Outcome factors’ have the lowest correlation coefficient of 0.21 with both ‘resource allocation’ and ‘people’ respectively. As can be seen, all the sub-factors are significantly correlated with ‘outcome factors’ at either the 5% or 1% level. Correlation coefficients amongst the sub-factors including the ‘outcome factors’ for the Islamic bank are shown in Table 5.3. For the Islamic bank and amongst the sub-factors, the correlation coefficient range from a minimum of 0.01 ($p>0.05$) between ‘people and interest group’ to a maximum of 0.40 ($p<0.05$) between ‘communication and commitment and motivation’. For the Islamic bank, ‘outcome factors’ have it highest correlation coefficient of 0.39 with the ‘commitment and motivation’; and the next highest is 0.38 with ‘involvement’. In addition, the ‘outcome factors’ have lowest correlation coefficient of 0.22 with ‘resource allocation’. It should be noted that all the sub-factors are significantly correlated with ‘outcome factors’ at either the 5% or 1% level.

Correlation coefficients amongst the sub-factors including the ‘outcome factors’ for the sampled conventional bank are shown in Table 5.4. As the results show that for the conventional bank and

amongst the sub-factors, the correlation coefficient range from a minimum of 0.00 ($p > 0.05$) between ‘communication’ and ‘resource allocation’ to a maximum of 0.36 ($p < 0.01$) between ‘resource allocation’ and ‘interest group’. As the results in Table 5.4 indicate, ‘outcome factors’ for the conventional bank have the highest correlation coefficient of 0.29 with the ‘involvement’ factor, while the next highest is 0.26 with ‘people’ with negative correlation, indicating that the two variables have an inverse relationship. Furthermore, ‘outcome factors’ have lowest correlation coefficient of 0.03 with both ‘communication and outsourcing/external company’ respectively. As can be seen, all the sub-factors are not significantly correlated with ‘outcome factors’ at either 5% or 1% level.

Table 5.2: Correlation Coefficient of Sub-factors under Process and Personal Factors including Outcomes Factors for the whole Sample

| | Resource Allocation | People | Communication | Involvement | Commitment and Motivation | Control and Feedback | Interest Group | Outsourcing / External Company | Outcomes Factors |
|--------------------------------|---------------------|--------|---------------|-------------|---------------------------|----------------------|----------------|--------------------------------|------------------|
| Resource Allocation | 1.00 | | | | | | | | |
| People | 0.29** | 1.00 | | | | | | | |
| Communication | 0.38** | 0.36** | 1.00 | | | | | | |
| Involvement | 0.29** | 0.35** | 0.49** | 1.00 | | | | | |
| Commitment and Motivation | 0.27** | 0.32** | 0.48** | 0.45** | 1.00 | | | | |
| Control and Feedback | 0.30** | 0.34** | 0.51** | 0.49** | 0.40** | 1.00 | | | |
| Interest Group | 0.29** | 0.13 | 0.21* | 0.39** | 0.24** | 0.30** | 1.00 | | |
| Outsourcing / External Company | 0.29** | 0.32** | 0.50** | 0.40** | 0.39** | 0.45** | 0.27** | 1.00 | |
| Outcomes Factors | 0.21* | 0.21* | 0.42** | 0.45** | 0.43** | 0.32** | 0.36** | 0.38** | 1.00 |

Notes: ** Significant at the 0.01 level; * Significant at the 0.05 level.

Table 5.3: Correlation Coefficient of Sub-factors under Process and Personal Factors including Outcomes Factors for the Islamic Bank

| | Resource Allocation | People | Communication | Involvement | Commitment and Motivation | Control and Feedback | Interest Group | Outsourcing / External Company | Outcomes Factors |
|--------------------------------|---------------------|--------|---------------|-------------|---------------------------|----------------------|----------------|--------------------------------|------------------|
| Resource Allocation | 1.00 | | | | | | | | |
| People | 0.25* | 1.00 | | | | | | | |
| Communication | 0.30** | 0.25* | 1.00 | | | | | | |
| Involvement | 0.33** | 0.29** | 0.27* | 1.00 | | | | | |
| Commitment and Motivation | 0.31** | 0.34** | 0.40** | 0.32** | 1.00 | | | | |
| Control and Feedback | 0.17 | 0.24* | 0.33** | 0.35** | 0.34** | 1.00 | | | |
| Interest Group | 0.14 | 0.01 | 0.03 | 0.35** | 0.19 | 0.12 | 1.00 | | |
| Outsourcing / External Company | 0.17 | 0.22* | 0.37** | 0.25* | 0.24* | 0.28* | 0.12 | 1.00 | |
| Outcomes Factors | 0.22* | 0.25* | 0.36** | 0.38** | 0.39** | 0.17 | 0.31** | 0.30** | 1.00 |

Notes: ** Significant at the 0.01 level; * Significant at the 0.05 level.

Table 5.4: Correlation Coefficient of Sub-factors under Process and Personal Factors including Outcomes Factors for the Conventional Bank

| | Resource Allocation | People | Communication | Involvement | Commitment and Motivation | Control and Feedback | Interest Group | Outsourcing / External Company | Outcomes Factors |
|--------------------------------|---------------------|--------|---------------|-------------|---------------------------|----------------------|----------------|--------------------------------|------------------|
| Resource Allocation | 1.00 | | | | | | | | |
| People | 0.12 | 1.00 | | | | | | | |
| Communication | 0.00 | 0.04 | 1.00 | | | | | | |
| Involvement | -0.28 | 0.07 | 0.10 | 1.00 | | | | | |
| Commitment and Motivation | -0.20 | -0.09 | -0.18 | 0.18 | 1.00 | | | | |
| Control and Feedback | 0.07 | 0.17 | 0.11 | 0.18 | -0.05 | 1.00 | | | |
| Interest Group | 0.36* | -0.01 | 0.08 | -0.10 | -0.04 | 0.26 | 1.00 | | |
| Outsourcing / External Company | 0.08 | -0.02 | 0.03 | -0.16 | -0.11 | 0.10 | 0.18 | 1.00 | |
| Outcomes Factors | -0.11 | -0.26 | 0.03 | 0.29 | 0.13 | 0.19 | 0.17 | 0.03 | 1.00 |

Notes: ** Significant at the 0.01 level; * Significant at the 0.05 level.

Table 5.5: Correlation Coefficient of Sub-factors under Organisational Factors including Outcomes Factors for the whole Sample

| | Organisational Structure | Single Point of Contact | Organisational Culture | Religion | Top Management Support | Outcomes Factors |
|--------------------------|--------------------------|-------------------------|------------------------|----------|------------------------|------------------|
| Organisational Structure | 1.00 | | | | | |
| Single Point of Contact | 0.36** | 1.00 | | | | |
| Organisational Culture | 0.35** | 0.27** | 1.00 | | | |
| Religion | 0.00 | 0.01 | -0.07 | 1.00 | | |
| Top Management Support | 0.23* | 0.20* | 0.19* | -0.05 | 1.00 | |
| Outcomes Factors | 0.36** | 0.21* | 0.30** | -0.07 | 0.31** | 1.00 |

Notes: ** Significant at the 0.01 level. * Significant at the 0.05 level.

5.2.2. Organisational Factors

The sub-factors under ‘organisational factors’ and the individual items under each sub-factor are shown below:

- (i) Organizational structure;
- (ii) Single point of contact;
- (iii) Organisational cultural ;
- (iv) Religion;
- (v) Top management support.

The correlation coefficients amongst the sub-factors including the ‘outcome factors’ for the whole sample are shown in Table 5.5. As the results show that amongst the sub-factors, the correlation coefficient range from a minimum of 0.00 ($p>0.05$) between ‘religion and organisational structure’ to a maximum of 0.36 ($p<0.01$) between ‘organisational structure’ and ‘single point of contact’. As can be seen, ‘outcome factors’ have it highest correlation coefficient of 0.36 with the ‘organisational structure’. In addition, next highest is 0.31 with ‘top management support’. Furthermore, ‘outcome factors’ have its lowest correlation coefficient of -0.07 with ‘religion’. It should be noted that except for ‘religion’, all the sub-factors are significantly correlated with ‘outcome factors’ at either the 5% or 1% level.

As for the correlation coefficients amongst the sub-factors including the ‘outcome factors’ for the Islamic banks, the results are depicted in Table 5.6, which shows that amongst the sub-factors the correlation coefficient range from a minimum of -0.05 ($p>0.05$) between ‘religion’ and ‘single point of contact’ to a maximum of 0.36 ($p<0.01$) between ‘organisational structure’ and ‘single point of contact’.

As can be seen in Table 5.6 outcome factors have the highest correlation coefficient of 0.39 with the ‘organisational structure’ which is significant at the 1% level. In addition, the next highest correlation is 0.25 with ‘organisational culture’, which is significant at the 5% level. Furthermore, ‘outcome factors’ have its lowest correlation coefficient of -0.11 with ‘religion’, which is not significant.

Table 5.6: Correlation Coefficient of Sub-factors under Organisational Factors

| | Organisational Structure | Single Point of Contact | Organisational Culture | Religion | Top Management Support | Outcomes Factors |
|--------------------------|--------------------------|-------------------------|------------------------|----------|------------------------|------------------|
| Organisational Structure | 1.00 | | | | | |
| Single Point of Contact | 0.36 ^{**} | 1.00 | | | | |
| Organisational Culture | 0.30 ^{**} | 0.22 [*] | 1.00 | | | |
| Religion | -0.14 | -0.05 | -0.08 | 1.00 | | |
| Top Management Support | 0.22 [*] | 0.18 | 0.16 | -0.11 | 1.00 | |
| Outcomes Factors | 0.39 ^{**} | 0.19 | 0.27 [*] | -0.11 | 0.25 [*] | 1.00 |

Regarding the correlation coefficients amongst the sub-factors including the ‘outcome factors’ for the conventional bank are shown in Table 5.7. As can be seen from the results, amongst the sub-factors the correlation coefficient range from a minimum of 0.01 between ‘organisational structure’ and ‘top management support’ to a maximum of 0.32 between ‘organisational structure’ and ‘religion’, which produced a significant correlation coefficient.

It should be noted that ‘outcome factors’ have their highest correlation coefficient of 0.30 with the ‘top management support’. In addition, the next highest correlation is 0.18 with ‘organisational culture’. ‘Outcome factors’ have their lowest correlation coefficient of -0.01 with ‘religion’. However, none of the correlation coefficients were significant.

Table 5.7: Correlation Coefficient of Sub-factors under Organisational Factors including Outcomes Factors for the Conventional Bank

| | Organisational Structure | Single Point of Contact | Organisational Culture | Religion | Top Management Support | Outcomes Factors |
|--------------------------|--------------------------|-------------------------|------------------------|----------|------------------------|------------------|
| Organisational Structure | 1.00 | | | | | |
| Single Point of Contact | -0.11 | 1.00 | | | | |
| Organisational Culture | 0.08 | -0.24 | 1.00 | | | |
| Religion | 0.32 | 0.21 | -0.06 | 1.00 | | |
| Top Management Support | 0.01 | -0.05 | -0.02 | 0.10 | 1.00 | |
| Outcomes Factors | 0.02 | -0.17 | 0.18 | -0.01 | 0.30 | 1.00 |

5.2.3. External Factors

This section presents the correlation analysis for the external factors, for which there is only one sub-factor:

(i) External Factors

The correlation coefficient for the whole sample between ‘external factors’ and ‘outcomes factors’ was 0.24 ($p=0.008 < 0.05$); for the Islamic bank it was 0.12 ($p=0.281 > 0.05$) and for conventional bank it was 0.22 ($p=0.22 > 0.05$).

5.2.4. Project Factors

The sub-factors under ‘project factors’ and the individual items under each sub-factor are shown below:

- (i) Priority;
- (ii) Size and value;
- (iii) Time;
- (iv) Project technical tasks;

The correlation coefficients amongst the sub-factors including the ‘outcome factors’ for the whole sample are shown in Table 5.8.

Amongst the sub-factors the correlation coefficient range from a minimum of -0.07 ($p>0.05$) between ‘time’ and ‘size’ and ‘value’ to a maximum of 0.32 ($p<0.01$) between ‘priority’ and ‘time’ and also between ‘time’ and ‘project technical tasks’. As for the ‘outcome factors’, the highest correlation coefficient of 0.47 is scored by the ‘time’, while the next highest correlation was 0.41 with ‘priority’. ‘Outcome factors’ have their lowest correlation coefficient of 0.01 with ‘size and value’. Except for ‘size and value’ all the sub-factors are significantly correlated with ‘outcome factors’ at either the 5% or 1% level.

Table 5.8: Correlation Coefficient of Sub-factors under Project Factors including Outcomes Factors for the Entire Sample

| | Priority | Size and Value | Time | Project Technical Tasks | Outcomes Factors |
|-------------------------|----------|----------------|--------|-------------------------|------------------|
| Priority | 1.00 | | | | |
| Size and Value | 0.08 | 1.00 | | | |
| Time | 0.32** | -0.07 | 1.00 | | |
| Project Technical Tasks | 0.20* | 0.18 | 0.32** | 1.00 | |
| Outcomes Factors | 0.41** | 0.01 | 0.47** | 0.21* | 1.00 |

Notes: ** Significant at the 0.01 level; * Significant at the 0.05 level.

The correlation coefficients amongst the sub-factors including the ‘outcome factors’ for the Islamic bank are shown on Table 5.9, which shows that amongst the sub-factors the correlation coefficient range from a minimum of 0.03 ($p>0.05$) between ‘priority’ and ‘size’ and ‘value’ to a maximum of 0.37 ($p<0.01$) between ‘time’ and ‘project technical tasks’. The correlation between ‘time’ and ‘priority’ is also 0.37 ($p>0.01$). In addition, ‘outcome factors’ have the highest correlation coefficient of 0.54 with ‘time’, which is significant at the 1% level. In addition, next highest correlation coefficient is 0.40 with ‘priority’, which is also significant at the 1% level. Furthermore, ‘outcome factors’ have the lowest correlation coefficient of 0.04 with ‘size’ and ‘value’, which is not significant.

Table 5.9: Correlation Coefficient of Sub-factors under Project Factors including Outcomes Factors for the Islamic Bank

| | Priority | Size and Value | Time | Project Technical Tasks | Outcomes Factors |
|-------------------------|----------|----------------|--------|-------------------------|------------------|
| Priority | 1.00 | | | | |
| Size and Value | 0.03 | 1.00 | | | |
| Time | 0.37** | 0.05 | 1.00 | | |
| Project Technical Tasks | 0.25* | 0.15 | 0.37** | 1.00 | |
| Outcomes Factors | 0.40** | 0.04 | 0.54** | 0.27* | 1.00 |

Notes: ** Significant at the 0.01 level; * Significant at the 0.05 level.

As regards to the results for conventional banks, Table 5.10 provides the results in the form of correlation coefficients for the sub-factors including the ‘outcome factors’. Amongst the sub-factors the correlation coefficient range from a minimum of 0.03 ($p > 0.05$) between ‘priority’ and ‘time’ to a maximum of 0.33 ($p < 0.05$) between ‘size’ and ‘value’ and ‘project technical tasks’. Regarding the ‘outcome factors’, they have the highest correlation coefficient of with ‘priority’ 0.43, which is significant at the 1% level. The next highest correlation coefficient is 0.23 with ‘project technical tasks’ which is not significant and is also negative. Furthermore ‘outcome factors’ have the lowest correlation coefficient of 0.04 with ‘size’ and ‘value’ which is not significant.

Table 5.10: Correlation Coefficient of Sub-factors under Project Factors including Outcomes Factors for the Conventional Bank

| | Priority | Size and Value | Time | Project Technical Tasks | Outcomes Factors |
|-------------------------|----------|----------------|-------|-------------------------|------------------|
| Priority | 1.00 | | | | |
| Size and Value | 0.24 | 1.00 | | | |
| Time | 0.03 | -0.17 | 1.00 | | |
| Project Technical Tasks | -0.06 | 0.33* | -0.10 | 1.00 | |
| Outcomes Factors | 0.43** | 0.04 | -0.15 | -0.23 | 1.00 |

Notes: ** Significant at the 0.01 level; * Significant at the 0.05 level.

5.3. EMPIRICAL RESULTS FOR SUB-FACTORS

In order to perform inference statistics on the sub-factors, it is necessary to find out if the data collected through questionnaire is normally distributed for the Islamic and conventional banks. In addition, it is also important to find out if the variability (variance) of the data is the same or homogeneous for both Islamic and conventional banks. It should be noted that in order to conduct parametric test with the objective of inferential test for further meaning making, the data must satisfy both the normality

and homogeneity of tests; otherwise a non-parametric test will be more suitable for the data.

5.3.1. Normality Test

The test results for normality for the data related to sub-factors are shown in Table 5.11, which indicates that the data is not normally distributed for all the sub-factors for at least one of the banks with a p value of less than 0.05. As the results indicate, only the ‘outcome factors’ is normally distributed for both Islamic and conventional banks with p values greater than 0.05.

Table 5.11: Normality of Sub-Factors

| Banks | | Kolmogorov-Smirnov ^a | | | Shapiro-Wilk | | |
|--------------------------------|-------------------|---------------------------------|----|---------|--------------|----|---------|
| | | Statistic | df | P value | Statistic | df | P value |
| Resource Allocation | Islamic Bank | .218 | 84 | .001 | .857 | 84 | .001 |
| | Conventional Bank | .154 | 36 | .030 | .894 | 36 | .002 |
| People | Islamic Bank | .275 | 84 | .001 | .807 | 84 | .001 |
| | Conventional Bank | .175 | 36 | .007 | .884 | 36 | .001 |
| Communication | Islamic Bank | .198 | 84 | .001 | .848 | 84 | .001 |
| | Conventional Bank | .149 | 36 | .041 | .947 | 36 | .083 |
| Involvement | Islamic Bank | .167 | 84 | .001 | .914 | 84 | .001 |
| | Conventional Bank | .140 | 36 | .073 | .975 | 36 | .584 |
| Commitment and Motivation | Islamic Bank | .163 | 84 | .001 | .917 | 84 | .001 |
| | Conventional Bank | .158 | 36 | .023 | .947 | 36 | .084 |
| Control and Feedback | Islamic Bank | .198 | 84 | .001 | .876 | 84 | .001 |
| | Conventional Bank | .132 | 36 | .119 | .938 | 36 | .044 |
| Interest Group | Islamic Bank | .147 | 84 | .001 | .968 | 84 | .034 |
| | Conventional Bank | .166 | 36 | .013 | .937 | 36 | .042 |
| Outsourcing / External Company | Islamic Bank | .172 | 84 | .001 | .909 | 84 | .001 |
| | Conventional Bank | .113 | 36 | .200* | .959 | 36 | .203 |
| Organisational Structure | Islamic Bank | .178 | 84 | .001 | .914 | 84 | .001 |
| | Conventional Bank | .121 | 36 | .200* | .966 | 36 | .326 |
| Single Point of Contact | Islamic Bank | .207 | 84 | .001 | .853 | 84 | .001 |
| | Conventional Bank | .173 | 36 | .008 | .914 | 36 | .009 |
| Organisational Culture | Islamic Bank | .137 | 84 | .001 | .961 | 84 | .012 |
| | Conventional Bank | .149 | 36 | .042 | .958 | 36 | .189 |
| Religion | Islamic Bank | .096 | 84 | .054 | .978 | 84 | .151 |
| | Conventional Bank | .126 | 36 | .158 | .941 | 36 | .055 |
| Top Management Support | Islamic Bank | .232 | 84 | .001 | .832 | 84 | .001 |
| | Conventional Bank | .169 | 36 | .011 | .898 | 36 | .003 |

| | | | | | | | |
|-------------------------|-------------------|------|----|-------|------|----|------|
| External Factors | Islamic Bank | .142 | 84 | .001 | .962 | 84 | .014 |
| | Conventional Bank | .149 | 36 | .041 | .937 | 36 | .042 |
| Priority | Islamic Bank | .137 | 84 | .001 | .951 | 84 | .003 |
| | Conventional Bank | .156 | 36 | .027 | .940 | 36 | .050 |
| Size and Value | Islamic Bank | .192 | 84 | .001 | .917 | 84 | .001 |
| | Conventional Bank | .183 | 36 | .004 | .925 | 36 | .018 |
| Time | Islamic Bank | .188 | 84 | .001 | .918 | 84 | .001 |
| | Conventional Bank | .149 | 36 | .042 | .941 | 36 | .054 |
| Project Technical Tasks | Islamic Bank | .240 | 84 | .001 | .848 | 84 | .001 |
| | Conventional Bank | .170 | 36 | .010 | .876 | 36 | .001 |
| Outcomes Factors (N) | Islamic Bank | .088 | 84 | .153 | .979 | 84 | .179 |
| | Conventional Bank | .103 | 36 | .200* | .970 | 36 | .435 |

As the results in Table 5.11 depict, none of the sub-factors satisfied the assumption of normality; therefore non-parametric test must be used. The following sections presents the results from non-parametric tests of Mann-Whitney U , which is used to determine if there is any statistically significant differences between the produced mean values by the control variables (such as bank types) in relation to the identified factors and sub-factors.

5.3.2. Mann-Whitney U Test of Sub-Factors

As part of the non-parametric test, Mann-Whitney U test is considered for sub-factors. As shown in table 5.12, three of the sub-factors namely ‘religion’, ‘priority’, and ‘size and value’, there is no statistically significant difference between the Islamic bank and conventional bank. For the rest of the sub-factors, however, there is a statistically significant difference in relation to the bank type, and in most of the cases the significant differences are in favour of Islamic banks implying that in such cases Islamic banks have higher mean value. For example, consider the sub-factor ‘resource allocation’, for Islamic banks the mean rank is 53.35, while it is 77.19 conventional banks with Mann-Whitney U value of 911.00 and p value of 0.001 (<0.05). This is in favour of Islamic bank because the following scale was used: 1=strongly agree, 2=agree, 3=neutral, 4=disagree and 5=strongly disagree. It should be noted here that lower values mean stronger agreement and higher values mean weaker agreement due to the scale used.

Table 5.12: Comparison of Sub-Factors between Islamic and Conventional Banks

| Sub-Factors | Banks | N | Mean Rank | Mann-Whitney U | p-value |
|--------------------------------|-------------------|----|-----------|----------------|---------|
| Resource Allocation | Islamic Bank | 84 | 53.35 | 911.00 | 0.001 |
| | Conventional Bank | 36 | 77.19 | | |
| People | Islamic Bank | 84 | 53.33 | 909.50 | 0.001 |
| | Conventional Bank | 36 | 77.24 | | |
| Communication | Islamic Bank | 84 | 49.10 | 554.00 | 0.001 |
| | Conventional Bank | 36 | 87.11 | | |
| Involvement | Islamic Bank | 84 | 48.74 | 524.50 | 0.001 |
| | Conventional Bank | 36 | 87.93 | | |
| Commitment and Motivation | Islamic Bank | 84 | 50.07 | 635.50 | 0.001 |
| | Conventional Bank | 36 | 84.85 | | |
| Control and Feedback | Islamic Bank | 84 | 49.35 | 575.50 | 0.001 |
| | Conventional Bank | 36 | 86.51 | | |
| Interest Group | Islamic Bank | 84 | 53.34 | 910.50 | 0.001 |
| | Conventional Bank | 36 | 77.21 | | |
| Outsourcing / External Company | Islamic Bank | 84 | 48.67 | 518.00 | 0.001 |
| | Conventional Bank | 36 | 88.11 | | |
| Organisational Structure | Islamic Bank | 84 | 53.06 | 887.00 | 0.001 |
| | Conventional Bank | 36 | 77.86 | | |
| Single Point of Contact | Islamic Bank | 84 | 52.08 | 805.00 | 0.001 |
| | Conventional Bank | 36 | 80.14 | | |
| Organisational Culture | Islamic Bank | 84 | 50.80 | 697.50 | 0.001 |
| | Conventional Bank | 36 | 83.13 | | |
| Religion | Islamic Bank | 84 | 60.30 | 1495.50 | 0.924 |
| | Conventional Bank | 36 | 60.96 | | |
| Top Management Support | Islamic Bank | 84 | 55.19 | 1066.00 | 0.008 |
| | Conventional Bank | 36 | 72.89 | | |
| External Factors | Islamic Bank | 84 | 53.30 | 907.50 | 0.001 |
| | Conventional Bank | 36 | 77.29 | | |
| Priority | Islamic Bank | 84 | 58.49 | 1343.50 | 0.329 |
| | Conventional Bank | 36 | 65.18 | | |
| Size and Value | Islamic Bank | 84 | 63.17 | 1287.50 | 0.183 |
| | Conventional Bank | 36 | 54.26 | | |
| Time | Islamic Bank | 84 | 51.51 | 756.50 | 0.001 |
| | Conventional Bank | 36 | 81.49 | | |
| Project Technical Tasks | Islamic Bank | 84 | 54.97 | 1047.50 | 0.006 |
| | Conventional Bank | 36 | 73.40 | | |
| Outcomes Factors | Islamic Bank | 84 | 53.46 | 921.00 | 0.001 |
| | Conventional Bank | 36 | 76.92 | | |

As another example, consider sub-factor ‘religion’. In the case of Islamic banks, the mean rank is 60.30, which is 60.69 for the conventional bank with Mann-Whitney U value of 1495.5 and *p* value of 0.924 (>0.05). As can be seen, even though this is

slightly in favour of the Islamic bank, there is no statistically significant difference between the mean ranks.

As for ‘outcome factors’, there is a statistically significant difference between the Islamic and conventional banks in favour of Islamic banks with a mean rank of 53.46 for the sampled Islamic banks and 76.92 for conventional bank with Mann-Whitney $U=921.00$ and $p=0.001$ (<0.05). As mentioned before, it should be noted that lower values mean more success and higher values mean less success.

5.4. Linear Regression Analysis of Sub-factors for the Whole Sample

After identifying the impact of bank’s type on the answers provided for the sub-factors, this section aims to locate the nature and size of these individual impacts through a regression analysis. As the relevant data indicates, in order to build a good regression model, the data must satisfy certain assumptions identified by SPSS Base 10.0 Application Guide (1999:191) and Kinnear *et al.* (2008: Chapter 12, Regression and its Assumptions), which are as follow:

- (i) All observations should be independent;
- (ii) The data should not suffer from multi-collinearity;
- (iii) Residual from model fit should follow a normal distribution;
- (iv) Each of the independent (explanatory or predictor) continuous variables should have a linear relationship with the dependent (response or outcome) variable.

For the first assumption, the researcher ensured that all observations were independent and not related to each other, as they were drawn from different bank cases. It means each participant fill the questionnaires independently. To find out if the data suffers from multicollinearity, collinearity diagnostics run to find out the tolerances for each of the independent variables in the model. If any of the tolerances are small, less than 0.1 for example, multicollinearity may be a problem. The results are depicted in table 5.14. A histogram plot of the ‘residual’ can also be used to observe if the data are normally distributed, while the correlation matrix helps to check if the response variable has a linear relationship with each of the independent variables.

Based on the fact that assumptions are upheld, the following regression model is established to locate the size of the impact of the independent variables or sub-factors (if any) on the outcome factors.

$$OutcomesFactors = \beta_0 + \beta_1x_1 + \beta_2x_2 + ... + \beta_nx_n + \varepsilon$$

Where x are the sub-factors, β_0 is the intercept of the line of best fit, and β s are the coefficients of the sub-factors, n is the number of sub-factors and ε is the error term.

The results of the regression analysis are depicted in Table 5.13, Table 5.14 and table 5.15 for the whole sample. As can be seen in Table 5.13, the ANOVA result show that $F_{(1, 119)} = 5.02$ and $p = 0.001$ (< 0.05). This indicates that at least one of the coefficients of the sub-factors is significantly different from zero. In other words one of the sub-factors is a significant predictor of outcomes factors.

Table 5.13: ANOVA Results for the Entire Sample

| Model | Sum of Squares | df | Mean Square | F | P value |
|------------|----------------|-----|-------------|-------|---------|
| Regression | 27.098 | 18 | 1.505 | 5.016 | 0.001 |
| Residual | 30.313 | 101 | .300 | | |
| Total | 57.411 | 119 | | | |

Table 5.14 depicts the coefficient values, which shows that there are six sub-factors that are significant predictors of ‘outcomes factors’. ‘Time’ with a t statistics of 2.61 and p value of 0.010 (< 0.05) is a significant predictor of ‘outcomes factors’. As can also be seen, ‘priority’ with a t statistics of 2.08 and p value of 0.040 (< 0.05) is also a significant predictor of ‘outcomes factors’. Furthermore, ‘top management support’ with t statistics of 2.07 and p values of 0.041 (< 0.05) is also a significant predictor of ‘outcomes factors’.

Table 5.14: Coefficients value of Sub-factors for the Whole Sample

| Model | Unstandardised Coefficients | | Standardized Coefficients | T-value | P value | Collinearity Statistics | |
|--------------------------------|-----------------------------|------------|---------------------------|---------|---------|-------------------------|-------|
| | B | Std. Error | Beta | | | Tolerance | VIF |
| (Constant) | 1.344 | .813 | | 1.654 | .101 | | |
| Resource Allocation | -.255 | .293 | -.078 | -.872 | .385 | .650 | 1.539 |
| People | -.044 | .044 | -.083 | -1.001 | .319 | .759 | 1.318 |
| Communication | .136 | .071 | .193 | 1.898 | .060 | .507 | 1.972 |
| Involvement | .131 | .077 | .166 | 1.694 | .073 | .543 | 1.843 |
| Commitment and Motivation | .039 | .078 | .047 | .506 | .614 | .605 | 1.654 |
| Control and Feedback | -.080 | .065 | -.118 | -1.227 | .223 | .569 | 1.756 |
| Interest Group | .097 | .088 | .099 | 1.104 | .272 | .657 | 1.523 |
| Outsourcing / External Company | .037 | .067 | .051 | .548 | .585 | .602 | 1.660 |
| Organisational Structure | .118 | .063 | .162 | 1.868 | .065 | .694 | 1.441 |
| Single Point of Contact | -.011 | .045 | -.020 | -.246 | .806 | .761 | 1.314 |
| Organisational Culture | .015 | .082 | .016 | .178 | .859 | .668 | 1.496 |
| Religion | -.124 | .064 | -.153 | -1.944 | .055 | .847 | 1.181 |
| Top Management Support | .090 | .044 | .167 | 2.066 | .041 | .800 | 1.250 |
| External Factors | .084 | .078 | .093 | 1.073 | .286 | .702 | 1.425 |
| Priority | .126 | .061 | .177 | 2.083 | .040 | .721 | 1.388 |
| Size and Value | .083 | .099 | .069 | .837 | .404 | .768 | 1.302 |
| Time | .183 | .070 | .247 | 2.613 | .010 | .587 | 1.705 |
| Project Technical Tasks | -.046 | .043 | -.092 | -1.080 | .283 | .721 | 1.387 |

Table 5.15: Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------|----------|-------------------|----------------------------|
| 1 | 0.589 | 0.347 | 0.324 | 0.57102 |

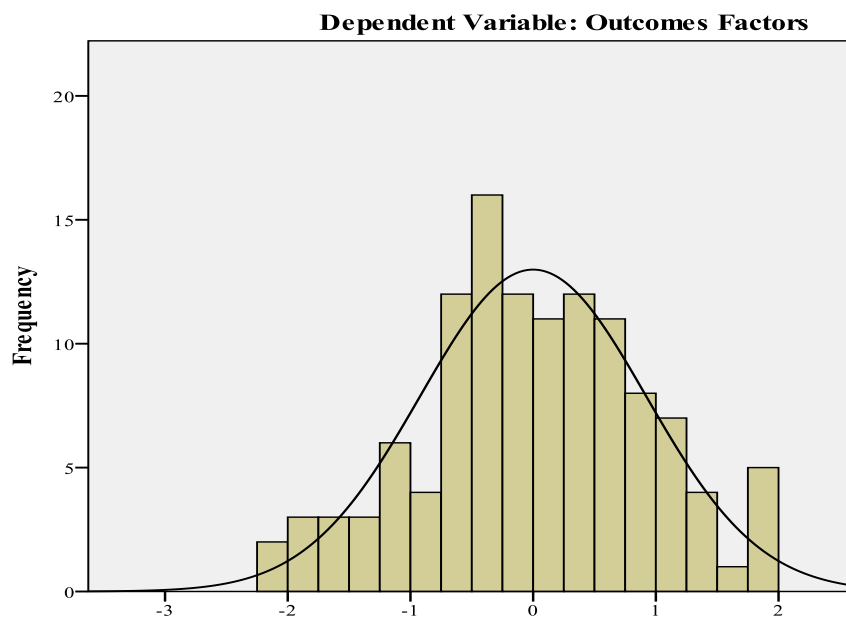
It should be noted that the other sub-factors, namely ‘religion’, ‘organisational structure’, ‘involvement’ and ‘communication’ with p values of 0.055, 0.065, 0.073 and 0.060 respectively can be seen as significant in determining the ‘outcomes factors’, as their p values is just slightly over the value of 0.05. However, the remaining sub-factors are not significant variables, as their p values are far greater than the value of 0.05. For example the t value and p value for the sub-factor ‘resource allocation’ are -0.87 and 0.385 (>0.05) respectively. It should be noted that

the t statistical value is not a t -test as it is from the regression outputs. Table 5.15 however, shows the model summary.

Fulfilling the assumptions of linear regression

As can be seen, in Table 5.14, in the regression model, the diagnostic test does not indicate any problem with multicollinearity, as all the tolerances are greater than 0.1. In addition, as can be seen, the sub-factors are not highly correlated. Furthermore, the residual from the regression analysis is normally distributed as shown in the Figure 5.3. All these factors help to rationalise as to why linear regression model is used in this study.

Figure 5.3: Regression Standardized Residual



Following the same empirical process as above, the output from the regression analysis for the Islamic bank is shown in Tables 5.16, 5.17, and 5.18. As can be seen in Table 5.16, the ANOVA result shows that $F_{(1, 83)} = 4.73$ and $p = 0.001$ (< 0.05), which indicates that at least one of the coefficients of the sub-factors is significantly different from zero. In other words one of the sub-factors is a significant predictor of ‘outcomes factors’.

Table 5.16: ANOVA Results

| Model | Sum of Squares | df | Mean Square | F | P value |
|------------|----------------|----|-------------|-------|---------|
| Regression | 22.015 | 18 | 1.223 | 4.725 | .001 |
| Residual | 16.827 | 65 | .259 | | |
| Total | 38.841 | 83 | | | |

As for the coefficients, Table 5.17 shows that there are six sub-factors that are significant predictors of ‘outcomes factors’. ‘Time’ with a *t* statistics of 4.31 and *p* value of 0.001 (<0.05) is a significant predictor of ‘outcomes factors’. ‘Communication’ with a *t* statistics of 2.12 and *p* value of 0.038 (<0.05) is also a significant predictor of ‘outcomes factors’. ‘Control and feedback’ with *t* statistics of 2.57 and *p* values of 0.012 (<0.05) is also a significant predictor of ‘outcomes factors’. ‘Religion’ with *t* statistics of -2.51 and *p* value of 0.015 (<0.05) is also a significant prediction of outcomes factors. In addition, top management support and organisational structure with *p* values of 0.056 and 0.066 respectively can be seen as significant in influencing ‘outcomes factors’ as their *p* values is just over the value of 0.05. The remaining sub-factors are not significant predictors of ‘outcomes factors’, as their *p* values are far greater than the value of 0.05. For example the *t* value and *p* value for the sub-factor ‘resource allocation’ are -0.18 and 0.856 (>0.05) respectively.

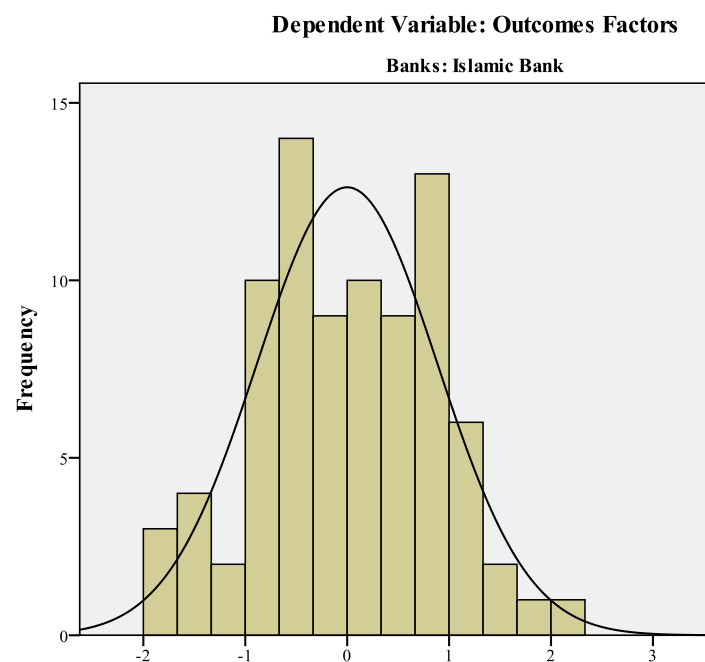
Table 5.17: Coefficients value of sub-factors for the Islamic Bank

| Model | Unstandardized Coefficients | | Standardized Coefficients | <i>t</i> | <i>p</i> value | Collinearity Statistics | |
|--------------------------------|-----------------------------|------------|---------------------------|----------|----------------|-------------------------|-------|
| | B | Std. Error | Beta | | | Tolerance | VIF |
| (Constant) | .802 | 1.068 | | .751 | .455 | | |
| Resource Allocation | -.071 | .387 | -.019 | -.183 | .856 | .596 | 1.678 |
| People | .009 | .054 | .015 | .164 | .870 | .763 | 1.311 |
| Communication | .191 | .090 | .255 | 2.118 | .038 | .460 | 2.175 |
| Involvement | -.043 | .102 | -.047 | -.422 | .674 | .536 | 1.867 |
| Commitment and Motivation | .028 | .099 | .030 | .281 | .779 | .578 | 1.730 |
| Control and Feedback | -.211 | .082 | -.264 | -2.571 | .012 | .631 | 1.586 |
| Interest Group | .186 | .105 | .181 | 1.763 | .083 | .632 | 1.582 |
| Outsourcing / External Company | .046 | .083 | .055 | .558 | .578 | .688 | 1.454 |
| Organisational Structure | .132 | .070 | .189 | 1.872 | .066 | .656 | 1.525 |
| Single Point of Contact | .003 | .055 | .006 | .060 | .952 | .740 | 1.350 |
| Organisational Culture | .027 | .100 | .026 | .264 | .793 | .705 | 1.419 |
| Religion | -.187 | .075 | -.253 | -2.508 | .015 | .653 | 1.532 |
| Top Management Support | .101 | .052 | .179 | 1.949 | .056 | .787 | 1.271 |
| External Factors | .064 | .103 | .066 | .629 | .532 | .607 | 1.649 |
| Priority | .031 | .072 | .046 | .427 | .671 | .578 | 1.730 |
| Size and Value | .116 | .134 | .090 | .865 | .390 | .621 | 1.610 |
| Time | .389 | .090 | .501 | 4.305 | .001 | .493 | 2.030 |
| Project Technical Tasks | -.050 | .053 | -.094 | -.939 | .351 | .661 | 1.512 |

Table 5.18: Model Summary for the Islamic banks

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|------|----------|-------------------|----------------------------|
| 1 | .753 | .567 | .447 | .50879 |

Table 5.18 shows the model summary; as can be seen, the adjusted R^2 for the sampled Islamic banks is 44.7% which is higher than that for the whole sample, as identified above, indicating that the sub-factors explain a higher proportion of the variability in 'outcomes factors' for the Islamic banks compare to the whole sample.

Figure 5.4: Regression Standardized Residual for the Islamic Bank Sample

The output from the regression analysis for the conventional bank is shown in tables 5.19, 5.20 and 5.21. As can be seen from Table 5.19, the ANOVA result show that $F_{(1, 35)}=1.60$ and $p=0.170$ (>0.05). Unlike the whole sample or Islamic bank, this indicates that none of the coefficients of the sub-factors is significantly different from zero implying that none of the sub-factors is a significant predictor of 'outcomes factors' in the case of the sampled conventional bank.

Table 5.19: ANOVA Results

| Model | Sum of Squares | df | Mean Square | F | P value |
|------------|----------------|----|-------------|-------|---------|
| Regression | 8.128 | 18 | .452 | 1.597 | .170 |
| Residual | 4.807 | 17 | .283 | | |
| Total | 12.934 | 35 | | | |

As can be seen from Table 5.20, the coefficient values show that there are two sub-factors that are significant predictors of ‘outcomes factors’. The two are ‘priority and people’, which are ignored as sub-factors, as the ANOVA test results in table 5.19 are not significant. Therefore, it can be concluded none of the sub-factors are significant predictors of ‘outcomes factors’ for the sampled conventional bank.

Table 5.20: Coefficients value of sub-factors for the conventional Bank

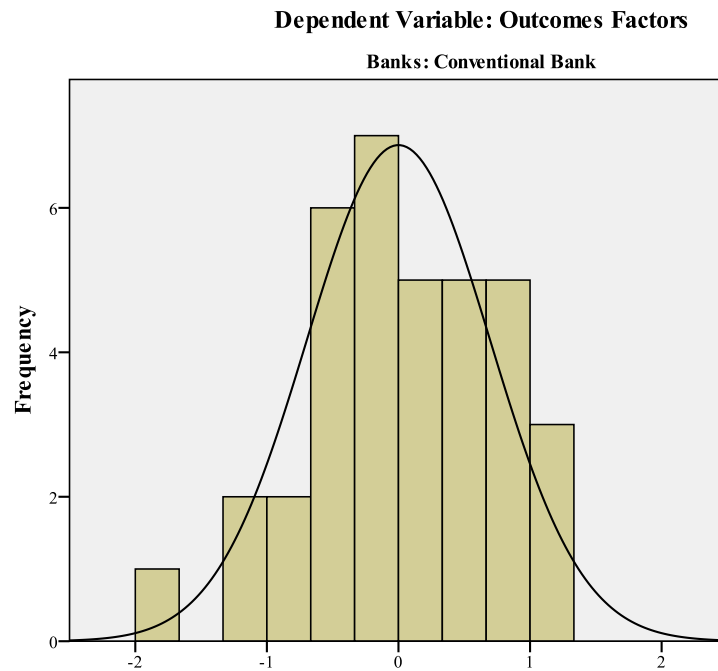
| Model | Unstandardized Coefficients | | Standardized Coefficients | t | P value | Collinearity Statistics | |
|--------------------------------|-----------------------------|------------|---------------------------|--------|---------|-------------------------|-------|
| | B | Std. Error | Beta | | | Tolerance | VIF |
| (Constant) | 1.374 | 2.038 | | .674 | .509 | | |
| Resource Allocation | .083 | .569 | .031 | .146 | .885 | .475 | 2.106 |
| People | -.179 | .071 | -.413 | -2.528 | .022 | .819 | 1.221 |
| Communication | .019 | .165 | .023 | .113 | .911 | .519 | 1.926 |
| Involvement | .193 | .147 | .246 | 1.318 | .205 | .626 | 1.596 |
| Commitment and Motivation | .080 | .184 | .099 | .434 | .670 | .419 | 2.387 |
| Control and Feedback | .093 | .129 | .144 | .715 | .484 | .540 | 1.852 |
| Interest Group | -.003 | .187 | -.003 | -.016 | .987 | .498 | 2.008 |
| Outsourcing / External Company | -.027 | .121 | -.038 | -.226 | .824 | .790 | 1.266 |
| Organisational Structure | .063 | .158 | .078 | .397 | .696 | .569 | 1.757 |
| Single Point of Contact | -.089 | .112 | -.174 | -.798 | .436 | .462 | 2.166 |
| Organisational Culture | -.092 | .186 | -.107 | -.494 | .628 | .468 | 2.136 |
| Religion | .227 | .240 | .252 | .946 | .357 | .307 | 3.258 |
| Top Management Support | .012 | .077 | .026 | .154 | .879 | .761 | 1.313 |
| External Factors | .187 | .141 | .238 | 1.330 | .201 | .680 | 1.470 |
| Priority | .417 | .159 | .576 | 2.615 | .018 | .450 | 2.220 |
| Size and Value | -.144 | .187 | -.160 | -.773 | .450 | .507 | 1.973 |
| Time | -.173 | .136 | -.237 | -1.266 | .223 | .624 | 1.603 |
| Project Technical Tasks | -.106 | .085 | -.249 | -1.249 | .228 | .551 | 1.816 |

Table 5.21 Model Summary for the Conventional Bank

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .793 ^a | .628 | .235 | .53175 |

Table 5.21 shows the model summary for the conventional bank. The adjusted R^2 for the sampled conventional bank is only 23.5% which is smaller than that for the whole sample or for the Islamic bank indicating that the sub-factors explain a very small proportion of the variability in ‘outcomes factors’ in the case of the conventional bank compared to the Islamic bank or the whole sample.

Figure 5.5: Regression Standardized Residual for Conventional Banks



5.5. FINDINGS ON THE MAIN FACTORS

The preceding section presented the results related to the sub-factors with the possibility to describe the statistics of the main factors as well.

5.5.1. Descriptive Statistics of Main Factors

The descriptive statistics of the five main factors of the questionnaire are shown in Table 5.22 for the total sample and according to Islamic and conventional banks. The results are reflected as follows:

Process and Personal Factors: For ‘process and personal factors’, the overall mean value is 2.44, and standard deviation 0.58, the 95% Confidence Interval for Mean (CI) the mean is 2.34-2.55; the standard error of the mean is 0.05; the minimum value is 1.46 and maximum value is 3.63. For the sampled, Islamic banks, the mean is 2.19, standard deviation 0.47, standard error of mean 0.05, 95% CI of mean 2.09-2.29, minimum value of 1.47 and maximum value of 3.63. For the sampled conventional bank, the mean is 3.04, standard deviation 0.33, standard error of mean 0.05, 95% CI of mean 2.92-3.15, minimum value of 2.38 and maximum value of 3.58.

Considering that the questionnaire consists of five scales where one is strongly agree and five is strongly disagree, the results imply that in terms of Islamic bank sample, the mean reported as 2.19 which tells us that participants agreed that process and personal factors contribute to the outcomes of strategy implementation. While in terms of Conventional banks the sample had a natural position.

Organisational Factors: For ‘organisational factors’, the overall mean value is 2.59; standard deviation of 0.59; the 95% CI of the mean is 2.49-2.70; the standard error of the mean is 0.05; the minimum value is 1.50 and maximum value is 3.87. For the sampled Islamic banks, the mean is 2.41, standard deviation 0.54, standard error of mean 0.06, 95% CI of mean 2.29-2.52, minimum value of 2.23 and maximum value of 3.87. For the conventional bank the mean is 3.03, standard deviation 0.44, standard error of mean 0.07, 95% CI of mean 2.89-3.18, minimum value of 2.23 and maximum value of 3.87. From the above results and as the scale indicated, most of the participants agree that organisational factors influence the strategy outcomes with the mean being 2.41. In the conventional banks the mean was 3.03 which indicated neither agree nor disagree that organisational factors influence the strategy outcomes.

External Factors: For ‘external factors’, the overall mean value is 2.53, standard deviation is 0.76; 95% CI of the mean is 2.39-2.66; the standard error of the mean is 0.07; the minimum value is 1.00 and maximum value is 4.00. As for Islamic bank sample, the mean is 2.36, standard deviation 0.70, standard error of mean 0.08, 95% CI of mean 2.21-2.51, minimum value of 1.00 and maximum value of 4.00. For the conventional bank, the mean is 2.92, standard deviation 0.77, standard error of mean 0.13, 95% CI of mean 2.65-3.18, minimum value of 1.33 and maximum value of 4.00.

Table 5.22: Descriptive Statistics of Main Factors

| Main Factor | Bank | N | Mean | Std. Deviation | Std. Error of mean | 95% Confidence Interval for Mean | | Minimum | Maximum |
|------------------------------|-------------------|-----|------|----------------|--------------------|----------------------------------|-------------|---------|---------|
| | | | | | | Lower Bound | Upper Bound | | |
| Process and Personal Factors | Islamic Bank | 84 | 2.19 | 0.47 | 0.05 | 2.09 | 2.29 | 1.46 | 3.63 |
| | Conventional Bank | 36 | 3.04 | 0.33 | 0.05 | 2.92 | 3.15 | 2.38 | 3.58 |
| | Total | 120 | 2.44 | 0.58 | 0.05 | 2.34 | 2.55 | 1.46 | 3.63 |
| Organisational Factors | Islamic Bank | 84 | 2.41 | 0.54 | 0.06 | 2.29 | 2.52 | 1.50 | 3.60 |
| | Conventional Bank | 36 | 3.03 | 0.44 | 0.07 | 2.89 | 3.18 | 2.23 | 3.87 |
| | Total | 120 | 2.59 | 0.59 | 0.05 | 2.49 | 2.70 | 1.50 | 3.87 |
| External Factors | Islamic Bank | 84 | 2.36 | 0.70 | 0.08 | 2.21 | 2.51 | 1.00 | 4.00 |
| | Conventional Bank | 36 | 2.92 | 0.77 | 0.13 | 2.65 | 3.18 | 1.33 | 4.00 |
| | Total | 120 | 2.53 | 0.76 | 0.07 | 2.39 | 2.66 | 1.00 | 4.00 |
| Project Factors | Islamic Bank | 84 | 2.47 | 0.64 | 0.07 | 2.33 | 2.61 | 1.50 | 4.13 |
| | Conventional Bank | 36 | 2.87 | 0.52 | 0.09 | 2.69 | 3.04 | 1.75 | 4.13 |
| | Total | 120 | 2.59 | 0.63 | 0.06 | 2.48 | 2.70 | 1.50 | 4.13 |
| Outcomes Factors | Islamic Bank | 84 | 2.48 | 0.68 | 0.07 | 2.33 | 2.62 | 1.17 | 4.17 |
| | Conventional Bank | 36 | 2.95 | 0.61 | 0.10 | 2.74 | 3.15 | 1.83 | 4.17 |
| | Total | 120 | 2.62 | 0.69 | 0.06 | 2.49 | 2.74 | 1.17 | 4.17 |

Project Factors: For ‘project factors’, the overall mean value is 2.59, standard deviation 0.63, 95% CI of the mean is 2.48-2.70, the standard error of the mean is 0.06, the minimum value is 1.50 and maximum value is 4.13. For Islamic banks, the mean is 2.47, standard deviation 0.64, standard error of mean 0.07, 95% CI of mean 2.33-2.61, minimum value of 1.50 and maximum value of 4.13. As for the conventional bank, the mean is 2.87, standard deviation 0.52, standard error of mean 0.09, 95% CI of mean 2.69-3.04, minimum value of 1.75 and maximum value of 4.13. In terms of this variable there is no much difference in the mean for both types’ banks. Participants closely agreed that project factors such as time and priority for the strategic projects contribute the outcomes of the implementation.

Outcome Factors: For ‘outcome factors’, the overall mean value is 2.62, standard deviation 0.69, the 95% CI of the mean is 2.49-2.74, the standard error of the mean is 0.06, the minimum value is 1.17 and maximum value is 4.17. For the Islamic bank sample, the mean is 2.48, standard deviation 0.68, standard error of mean 0.07, 95% CI of mean 2.33-2.62, minimum value of 1.17 and maximum value of 4.17. As for the conventional bank the mean is 2.95, standard deviation 0.61, standard error of mean 0.10, 95% CI of mean 2.74-3.15, minimum value of 1.8 and maximum value of 4.17.

5.5.2. Correlation Matrix of Main Factors of Questionnaire

The correlation matrix of the five main factors of questionnaire for the whole sample is shown on table 5.23. All the correlation coefficients are positive with a maximum value of 0.54 and the minimum value of 0.28, and they are all significant at the 0.01 level implying that the coefficients are significantly different from zero. This positive correlation means that as one factor increases the other also increases too; however, this is not a cause and effect relationship. It should be noted that the highest correlation of 0.54 is between ‘process and personal factors’ and ‘organisational factors’. The next highest correlation is 0.53 between ‘project factors’ and process and personal factors’. This is then followed by a correlation of 0.52 between ‘process and personal factors’ and ‘outcome factors’. The smallest correlation is 0.27, which is between organisational factors and external factors.

Table 5.23: Correlation Matrix of Main Factors of Questionnaire for the whole Sample

| | Process and Personal Factors | Organisational Factors | External Factors | Project Factors | Outcomes Factors |
|------------------------------|------------------------------|------------------------|------------------|-----------------|------------------|
| Process and Personal Factors | 1.00 | | | | |
| Organisational Factors | 0.54** | 1.00 | | | |
| External Factors | 0.30** | 0.28** | 1.00 | | |
| Project Factors | 0.53** | 0.29** | 0.32** | 1.00 | |
| Outcomes Factors | 0.52** | 0.40** | 0.24** | 0.45** | 1.00 |

Notes: **. Correlation is significant at the 0.01 level (2-tailed).

The correlation matrix of the five main factors of the questionnaire for Islamic bank is shown in Table 5.24, which shows for the whole sample, all the correlation coefficients are positive with a maximum value of 0.55 and the minimum value of 0.12; some are significant at the 0.01 level, some at the 0.05 level and some are not significant at all. The highest correlation is 0.55 between ‘process and personal factors and project factors’. The next highest correlation is 0.50 which is between ‘outcome factors and project factors’. This is then followed by a correlation of 0.41 between ‘organisational factors’ and ‘process and personal factors’. The lowest correlation is 0.12 between ‘outcome factors and external factors’. The correlation of 0.12 is not significantly different from zero.

Table 5.24: Correlation Matrix of Main Factors of the Questionnaire for Islamic Bank

| | Process and Personal Factors | Organisational Factors | External Factors | Project Factors | Outcomes Factors |
|------------------------------|------------------------------|------------------------|------------------|-----------------|------------------|
| Process and Personal Factors | 1.00 | | | | |
| Organisational Factors | 0.41** | 1.00 | | | |
| External Factors | 0.17 | 0.26* | 1.00 | | |
| Project Factors | 0.55** | 0.21 | 0.22* | 1.00 | |
| Outcomes Factors | 0.48** | 0.34** | 0.12 | 0.50** | 1.00 |

Notes: **. Correlation is significant at the 0.01 level (2-tailed); *. Correlation is significant at the 0.05 level (2-tailed).

The correlation matrix of the five underlying structures of questionnaire for the conventional bank is shown on Table 5.25. As can be seen, the correlation coefficients are very small with a maximum value of just 0.29 with some positive and negative correlations. As can be seen, none of the correlation coefficient is significantly significant. The highest correlation is of 0.29 is between ‘external factors and project factors’; the next highest correlation is 0.22 between ‘external factors and outcomes factors’, while the smallest correlation is 0.05 between ‘process and personal factors’ and ‘project factors’. The latter indicates a negative correlation.

Table 5.25: Correlation Matrix of Main factors of Questionnaire for Conventional Bank

| | Process and Personal Factors | Organisational Factors | External Factors | Project Factors | Outcomes Factors |
|------------------------------|------------------------------|------------------------|------------------|-----------------|------------------|
| Process and Personal Factors | 1.00 | | | | |
| Organisational Factors | -0.07 | 1.00 | | | |
| External Factors | 0.06 | -0.09 | 1.00 | | |
| Project Factors | -0.05 | -0.10 | 0.29 | 1.00 | |
| Outcomes Factors | 0.14 | 0.15 | 0.22 | -0.08 | 1.00 |

ANOVA Test for the Main Factors

In order to perform inference statistics on the five main factors, it is necessary to find out if the data is normally distributed for the Islamic and conventional banks as for the sub-factors. It is also important to find out if the variability (variance) of the data is the same for both Islamic and conventional banks.

Normality test: The test of normality for the data is shown on Table 5.26 for the five main factors. The test indicates that for four of the five structures namely ‘process and personal factors’, ‘organisational factors’, ‘external factors’, and ‘project factors’, the data is not normally distributed for at least one of the banks with a p value of less than 0.05. It should be noted that only the ‘outcome factors’ are normally distributed for both Islamic and conventional banks with p values greater than 0.05

Table 5.26: Tests of Normality

| Main Factors | Banks | Kolmogorov-Smirnova | | | Shapiro-Wilk | | |
|------------------------------|-------------------|---------------------|-----------|----------------|--------------|-----------|----------------|
| | | Statistic | <i>df</i> | <i>P</i> value | Statistic | <i>df</i> | <i>P</i> value |
| Process and Personal Factors | Islamic Bank | 0.13 | 84 | 0.002 | 0.92 | 84 | 0.001 |
| | Conventional Bank | 0.10 | 36 | 0.200 | 0.96 | 36 | 0.256 |
| Organisational Factors | Islamic Bank | 0.09 | 84 | 0.066 | 0.97 | 84 | 0.052 |
| | Conventional Bank | 0.10 | 36 | 0.200 | 0.97 | 36 | 0.346 |
| External Factors | Islamic Bank | 0.14 | 84 | 0.001 | 0.96 | 84 | 0.014 |
| | Conventional Bank | 0.15 | 36 | 0.041 | 0.94 | 36 | 0.042 |
| Project Factors | Islamic Bank | 0.16 | 84 | 0.001 | 0.92 | 84 | 0.001 |
| | Conventional Bank | 0.12 | 36 | 0.200 | 0.99 | 36 | 0.976 |
| Outcomes Factors | Islamic Bank | 0.09 | 84 | 0.153 | 0.98 | 84 | 0.179 |
| | Conventional Bank | 0.10 | 36 | 0.200 | 0.97 | 36 | 0.435 |

The Test of Homogeneity of Variances: The test of homogeneity of variances (variability) is shown in Table 5.27, which indicates that all the five main factors satisfied the homogeneity of variances test, as p values greater than 0.05.

Table 5.27: Test of Homogeneity of Variances

| | Levene Statistic | <i>df1</i> | <i>df2</i> | Sig. |
|------------------------------|------------------|------------|------------|-------|
| Process and Personal Factors | 3.26 | 1 | 118 | 0.074 |
| Organisational Factors | 3.31 | 1 | 118 | 0.071 |
| External Factors | 1.39 | 1 | 118 | 0.240 |
| Project Factors | 2.10 | 1 | 118 | 0.150 |
| Outcomes Factors | 0.77 | 1 | 118 | 0.383 |

As all the five main factors did not pass both test of normality and homogeneity of variances, a non-parametric test namely Mann-Whitney U is utilised to find out if there is any differences between Islamic and conventional banks on the five main factors according to the responses provided. The results of the test are shown in Table 5.28. The results for the each of the main factors are as follows:

Process and Personal Factors :As the results in table 5.28 shows, there is a statistically significant difference between the Islamic and conventional banks on this factor in favour of Islamic bank with a mean rank of 45.73, the mean rank for conventional bank is 94.97, Mann-Whitney U=271.00 and $p=0.001$ (<0.05).

Table 5.28: Comparison between Islamic and Conventional Banks for the Main Factors

| Main Factors | Banks | N | Mean Rank | Mann-Whitney U | p value |
|------------------------------|-------------------|----|-----------|----------------|---------|
| Process and Personal Factors | Islamic Bank | 84 | 45.73 | 271.00 | 0.001 |
| | Conventional Bank | 36 | 94.97 | | |
| Organisational Factors | Islamic Bank | 84 | 49.36 | 576.50 | 0.001 |
| | Conventional Bank | 36 | 86.49 | | |
| External Factors | Islamic Bank | 84 | 53.30 | 907.50 | 0.001 |
| | Conventional Bank | 36 | 77.29 | | |
| Project Factors | Islamic Bank | 84 | 52.99 | 881.00 | 0.001 |
| | Conventional Bank | 36 | 78.03 | | |
| Outcomes Factors | Islamic Bank | 84 | 53.46 | 921.00 | 0.001 |
| | Conventional Bank | 36 | 76.92 | | |

Organisational Factors :As depicted by Table 5.28, there is a statistically significant difference between the Islamic and conventional banks on this factor in favour of Islamic

bank with a mean rank of 49.36, while the mean rank for conventional bank is 86.49, Mann-Whitney U=576.50 and $p=0.001$ (<0.05).

External Factors :Table 5.28 shows that there is a statistically significant difference between the Islamic and conventional banks on this factor in favour of Islamic bank again with a mean rank of 53.30, the mean rank for Conventional bank is 77.29, Mann-Whitney U=907.50 and $p=0.001$ (<0.05).

Project Factors :There is a statistically significant difference between the Islamic and conventional banks on this factor in favour of Islamic bank again with a mean rank of 52.99, the mean rank for conventional bank is 78.03, Mann-Whitney U=881.00 and $p=0.001$ (<0.05). 76.92,

Outcome Factors :As the results in Table 5.28 depicts, there is a statistically significant difference between the Islamic and conventional banks on this factor in favour of Islamic bank with a mean rank of 53.46, the mean rank for conventional bank is 76.92, Mann-Whitney U=921.00 and $p=0.001$ (<0.05).

5.6 Regression Analysis of Main Factors for the Whole Sample

For the main factors, the following regression model is formed:

$$OutcomesFactors = \beta_0 + \beta_1PPF + \beta_2OF + \beta_3EF + \beta_4PF\beta_n + \varepsilon$$

where *PPF* stands for ‘process and personal factors’, *OF* stands for ‘organisational factors’, *EF* is for ‘external factors’, *PF* is for ‘project factors’, b_0 is the intercept of the line of best fit, and b_1, b_2, b_3 , and b_4 are the coefficients of the main factors and ε is the error term. The output from the regression analysis is depicted in tables 5.29, 5.30 and 5.31. From table 5.29, the ANOVA results indicate that $F_{(1, 119)}=13.24$ and $p=0.001$ (<0.05), which implies that that at least one of the coefficients of the main factors is significantly difference from zero. In order words one of the main factors is a significant predictor of ‘outcomes factors’.

Table 5.29: ANOVA

| Model | | Sum of Squares | <i>df</i> | Mean Square | F | Sig. |
|-------|------------|----------------|-----------|-------------|--------|-------|
| 1 | Regression | 18.100 | 4 | 4.525 | 13.237 | 0.001 |
| | Residual | 39.311 | 115 | .342 | | |
| | Total | 57.411 | 119 | | | |

Table 5.30 depicts the coefficient value, which shows that there are two significant predictors of *outcomes factors*. ‘Process and personal factors’ with a *t* statistics of 2.96 and *p* value of 0.004 (<0.05) is a significant predictor of ‘outcomes factors’. ‘Project factors’ with a *t* statistics of 2.64 and *p* value of 0.009 (<0.05) is also a significant predictor of *outcomes factors*. ‘Organisational factors’ and ‘external factors’ with *t* statistics of 1.70 and 0.46 and *p* values of 0.092 (>0.05) and 0.646 (>0.05) respectively are not significant prediction of ‘outcomes factors’, although their *p* values are not far from the significant value of 0.05.

Table 5.30: Coefficients value of Main Factors for the Whole Sample

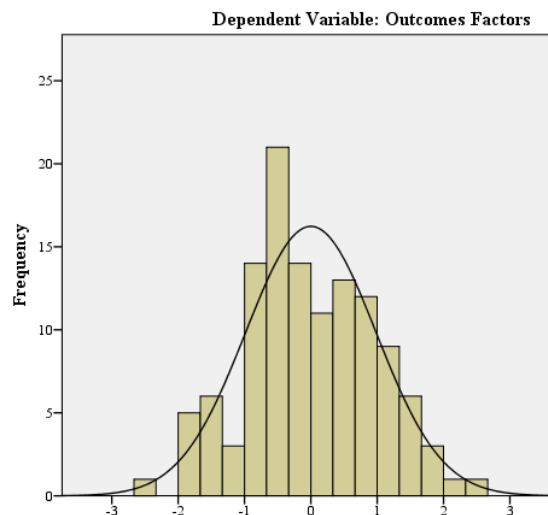
| Model | Unstandardized Coefficients | | Standardized Coefficients | <i>t</i> | <i>p</i> value | Collinearity Statistics | |
|------------------------------|-----------------------------|------------|---------------------------|----------|----------------|-------------------------|-------|
| | B | Std. Error | Beta | | | Tolerance | VIF |
| (Constant) | .524 | .306 | | 1.714 | .089 | | |
| Process and Personal Factors | .351 | .119 | .293 | 2.956 | .004 | .605 | 1.654 |
| Organisational Factors | .186 | .109 | .157 | 1.700 | .092 | .702 | 1.425 |
| External Factors | .035 | .076 | .038 | .460 | .646 | .850 | 1.176 |
| Project Factors | .257 | .098 | .234 | 2.639 | .009 | .757 | 1.320 |

Table 5.31: Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|------|----------|-------------------|----------------------------|
| 1 | .561 | .315 | .291 | .58467 |

Table 5.31 depicts the model summary, which shows that the adjusted R^2 is 29.1%. This implies that the four main factors (project factors, external factors, organisational factors, and process and personal factors) in the regression model accounts only for 29.1% of proportion of the total variation in ‘outcomes factors’.

Figure 5.6: Regression Standardized Residual



5.7. Regression Analysis of Main Factors for Islamic and Conventional Bank

The outputs from the regression analyses for Islamic and conventional banks are shown in Tables 5.32, 5.33 and 5.34. As can be seen from table 5.32, the ANOVA results show that $F_{(1, 83)}=10.24$ and $p=0.001$ (<0.05) for the Islamic bank samples. This indicates that at least one of the coefficients of the main factors is statistically significantly. For the conventional bank $F_{(1, 35)}=0.80$ and $p=0.532$ (>0.05), which indicates that none of the coefficients of the main factors is also statistically significantly.

Table 5.32: ANOVA Results

| Banks | | Sum of Squares | df | Mean Square | F | p value |
|-------------------|------------|----------------|----|-------------|--------|---------|
| Islamic Bank | Regression | 13.258 | 4 | 3.315 | 10.235 | .001 |
| | Residual | 25.583 | 79 | .324 | | |
| | Total | 38.841 | 83 | | | |
| Conventional Bank | Regression | 1.216 | 4 | .304 | .804 | .532 |
| | Residual | 11.719 | 31 | .378 | | |
| | Total | 12.934 | 35 | | | |

Table 5.33 shows the coefficient value, which indicates that there are two significant predictors of ‘outcomes factors’ for the Islamic Bank. ‘Process and Personal Factors’ with a t statistics of 2.42 and p value of 0.018 (<0.05) is a significant predictor of ‘outcomes factors’. ‘Project factors’ with a t statistics of 3.08 and p value of 0.003 (<0.05) is also a significant predictor of *outcomes factors*. In addition, ‘organisational factors’ and ‘external factors’ with t statistics of 1.53 and -0.18 and p values of 0.131 (>0.05) and 0.856 (>0.05) respectively are not significant prediction of *outcomes factors*. However, in the case of conventional bank none of the main factors is a significant predictor of ‘outcomes factors’.

Table 5.33: Coefficients value of Main Factors for the for Islamic and conventional banks

| Banks Model | | Unstandardized Coefficients | | Standardized Coefficients | t | pvalue | Collinearity Statistics | |
|--------------|------------|-----------------------------|------------|---------------------------|------|--------|-------------------------|-----|
| | | B | Std. Error | Beta | | | Tolerance | VIF |
| Islamic Bank | (Constant) | .323 | .382 | | .844 | .401 | | |
| | | | | | | | | |

| | | | | | | | | |
|-------------------|------------------------------|-------|-------|-------|-------|------|------|-------|
| | Process and Personal Factors | .392 | .162 | .270 | 2.419 | .018 | .671 | 1.491 |
| | Organisational Factors | .196 | .128 | .155 | 1.527 | .131 | .812 | 1.231 |
| | External Factors | -.017 | .093 | -.017 | -.182 | .856 | .912 | 1.096 |
| | Project Factors | .349 | .114 | .328 | 3.077 | .003 | .734 | 1.362 |
| Conventional Bank | (Constant) | 1.591 | 1.429 | | 1.113 | .274 | | |
| | Process and Personal Factors | .138 | .319 | .075 | .431 | .669 | .978 | 1.023 |
| | Organisational Factors | .223 | .238 | .161 | .937 | .356 | .992 | 1.008 |
| | External Factors | .208 | .141 | .265 | 1.476 | .150 | .907 | 1.102 |
| | Project Factors | -.120 | .212 | -.101 | -.564 | .577 | .904 | 1.107 |

Table 5.34: Model Summary of the Islamic and conventional banks

| Banks | <i>R</i> | <i>R Square</i> | <i>Adjusted R Square</i> | Std. Error of the Estimate |
|-------------------|-------------------|-----------------|--------------------------|----------------------------|
| Islamic Bank | .584 ^a | .341 | .308 | .56907 |
| Conventional Bank | .307 ^b | .094 | -.023 | .61484 |

Table 5.34 shows the model summary for both Islamic and conventional banks. As can be seen, the adjusted R^2 for the Islamic bank is 30.8% while that for the conventional bank is only 2.3%. Thus, in the case of the sampled Islamic banks, the model through the main variables can explain 30.8% of the variation, while it is very small in the case of conventional banks.

Figure 5.7: Regression Standardized Residual

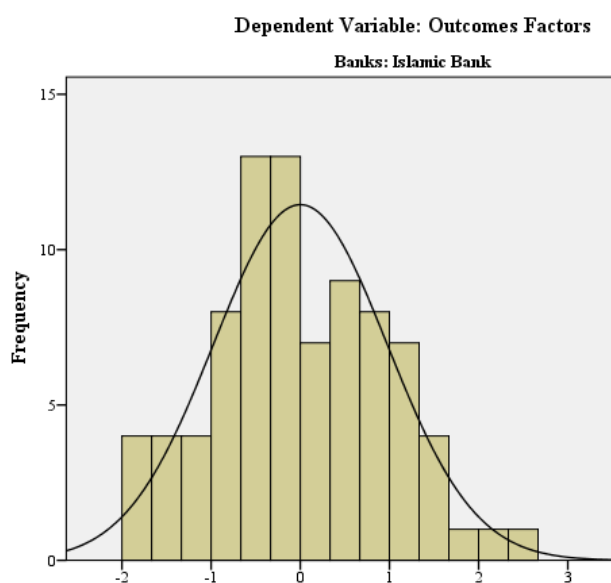
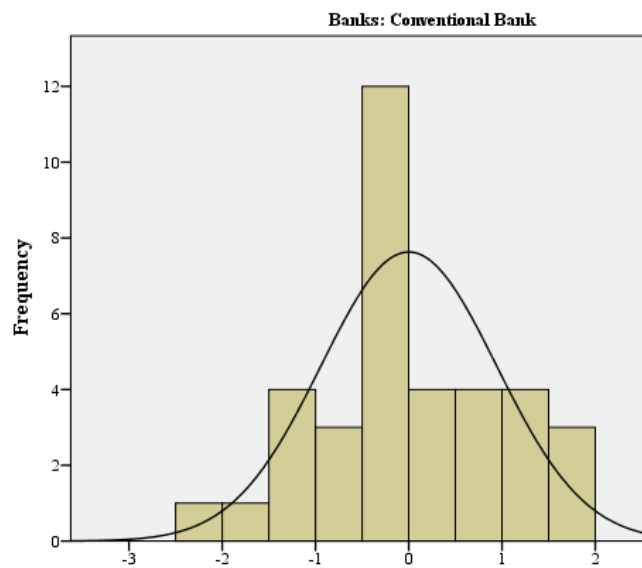


Figure 5.8: Regression Standardized Residual



5.8. Summary

To summarise, two technical analyses were used in this chapter, namely: correlation, and regression analysis. The correlation analysis has been performed in between both the main factors and the strategy outcomes and between the sub-factors and the strategy outcomes regarding both type of bank. All the factors did not satisfy the assumption of normality therefore non-parametric test has been used when appropriate. Regarding the regression analysis, it was found that ‘process and personal factors’, ‘project factors’, and ‘organisational factors’ are significant predictors of ‘outcomes factors’ in the case of Islamic banks. As for the conventional bank, none of the main factors is a significant predictor of ‘outcomes factors’. Among sub-factors, however, ‘time’, ‘communication’, ‘control’ and feedback’, ‘religion’, ‘top management support’ and ‘organisational structure’ are found to be significant prediction of outcomes factors when implementing the strategy.

Chapter Six:

SEMI-STRUCTURED INTERVIEW ANALYSIS

6.1 INTRODUCTION

Having presented the results in the first two empirical chapters of descriptive and inferential questionnaire survey analysis, this third empirical chapter is based on the analysis of the data assembled in semi-structured interviews with the managers of the sampled banks.

As previously mentioned, the objective of conducting these interviews was to gain understanding on the subject of strategy implementation processes, on the factors influencing the implementation process and its outcomes, and to seek to understand the role of religious factors within Islamic and conventional banks in Saudi Arabia.

This chapter aims to examine the following areas; firstly, approaches to the strategy implementation process, and secondly those factors influencing the implementation process, and the outcomes of that process, including seeking to understand the functions of the religion factor. In conducting these analyses, this chapter presents the results generated from the eight interviews conducted with top management in both conventional and Islamic banks. The details of interview data collection and its analysis are discussed in Chapter 3. It should be re-iterated that the interviews took place in Riyadh at the head-office of the respective banks between July and September 2011. It should be noted that the participants were the key people in their organisations, some of them decision makers, and others involved in the actual strategy implementation.

As for the results of the interviews, either they can be one of the following; the results may lead to the same conclusion as the questionnaires, or may be related to different objects than the questionnaires but still complement them, or the results could be divergent or contradictory.

This chapter is organised as follows; Section 6.2 presents a descriptive statistical analysis of respondents' information, while section 6.3 identifies the core themes presented relating to approaches to strategy implementation. Section 6.4 discusses the core themes related to the

factors influencing strategy implementation, including the role of the religion factor within Islamic banks. Section 6.4 provides a summary of the chapter.

6.2 DESCRIPTIVE STATISTICS OF INTERVIEWEES

The semi-structured interviews focused on concepts that were also covered by the questionnaire, except for the approaches to strategy implementation, which the interviews cover alone due to being the main person for dealing with such matters.

Table 6.1 summarises the personal information of the interviewees conducted with eight top managers of the sampled banks, using a face-to face method with each interview lasting approximately between forty and fifty minutes.

Table 6.1: Descriptive Statistics of Interviewees

| Interviewee | Type of Bank | Position | Experience (years) | Strategic Case | Identification on the text |
|-------------|------------------|-----------------------------|---------------------|-------------------------|----------------------------|
| 1 | Conventional (1) | Vice-President | 28 | Centralisation | CB1 |
| 2 | Islamic (1) | General Manager of Strategy | 7 | Expansion Strategy | IB1 |
| 3 | Conventional (1) | Risk Management Manager | 13 | Centralisation | CB1 |
| 4 | Islamic (1) | Corporate Manager | 10 | Expansion Strategy | IB1 |
| 5 | Islamic (2) | Corporate Manager | 4 | Market Segmentation | IB2 |
| 6 | Islamic (2) | Regional Sales Manager | 12 | Market Segmentation | IB2 |
| 7 | Conventional (2) | IT Manager | 5 | New System Installation | CB2 |
| 8 | Conventional (2) | Operations Manager | 14 | New System Installation | CB2 |

It can be seen in Table 6.1 that interviews were conducted with four members from Islamic banks involved in expansion strategies and market segmentation strategic decisions, one with a General Manager for strategy, two with corporate managers, and one with a regional sales manager. The other two strategic cases studied belong to two conventional banks. Interviewees with the conventional banks include a Vice-President with twenty-eight years of experience, a risk management department manager with thirteen years of experience regarding centralisation strategy, a corporate manager with four years of experience regarding market segmentation strategy, an IT manager with five years of experience, and an operations

manager with fourteen years of experience regarding new system installation. Details of each strategic case will be available in the Appendix 3.

6.3 EMERGENT THEMES RELATED TO APPROACHES TO THE STRATEGIC IMPLEMENTATION PROCESS

After presenting the descriptive statistical analysis in the previous section, this section aims to discuss the emergent themes related to approaches to the strategic implementation process. Recalling from Chapter 3 (Section 3.6.2), the interviews generated data were subjected to qualitative analysis to determine themes in an inductive manner rather than as imposed categories. In other words, deconstruction of the interview data provided the most frequently referred phrases and concepts which constitute the source of emergent themes that are discussed in this chapter. Thus, after extensive reading and examination of the eight transcripts produced from the interviews through textual analysis, one of the emergent finding is that the role of consulting firms appears to not only influence the implementation process but also the decision-making process. The next section will therefore present the results of this particular strategic approach.

6.3.1 The Role of Consulting Firms

The idea of using consultancy is not new in modern businesses; in recent years most successful companies have relied heavily on others' know-how and expertise. Consulting companies particularly play active roles in expanding markets, and the financial sector is one of these markets. A further reason for consultants' use is the cost and time consumed for strategic planning, and the risks associated with this process. These reasons force companies in a variety of industries to use consulting firms.

Many studies have come to recognise the effects, roles, and even challenges facing companies' decision-making (Jang and Lee, 1998; Lahti and Beyerlein, 2000; Stumpf *et al.*, 2002; Creplet *et al.*, 2001; Morris and Empson, 1998). A similar study to those by Okumus (1999, 2001) identifies the role of the external partners in facilitating the implementation of strategies.

William *et al.* (2012) define the role of the strategic business partner (SBP) as the excellent transformation of the business function; they further explain that the SBP role can be a highly valuable solution in organisations that combine skills and knowledge in the areas of

organisational development and business insight. Despite for such a positive position, Obeidat (2010) sees the SBP role as negatively affecting the process and outcomes of certain strategic decisions, claiming that the cultural differences between the external firms and the home company cause problems. On the contrary, Alsagheir (2013) in his study of six Saudi banks, although studying a similar culture to that of Obeidat (2010), found that all the studied banks have successful partnerships with consulting companies.

Consulting firms' expertise seems to have a vital role in providing knowledge and skills that were absent from the original company. In support of this, Morris *et al.* (1998) argue that the knowledge that is the basis of professional service firms such as consulting firms is a key determinant of the organisational structure and performance of all firms, which can be considered as the knowledge-based view. Knowledge can be seen as a matter of people skills, when a resource-based view considers it as a source of competitive advantage (Barney, 1991). Criticisms have been made by Maister (1993), an expert in professional services firms including consulting firms. He argues that in many firms the partner's performance is a rushed step in the process, and usually not properly implemented, with consulting reviews usually containing minimal analysis components, and the appraisal function process tending to serve as an input to support the decision.

Without exception, all the strategic decisions used as a case in this study have been implemented in partnership with consultancy firms. Table 6.2 illustrates this conveniently. The data, however, cannot confirm the argument that such knowledge or participation of consulting firm directly influences the outcomes of strategy implementation. It is difficult to measure the financial outcomes of strategies, and measuring the effect of the consulting firms on the outcomes is even harder. They surely in some sense facilitate both the process of decision-making and the implementation of decisions, for example in cases of market segmentation and new system installation. It seems that in the cases examined, business partners and consultants have not only implemented strategic initiatives, but also have a great role in the decision making process.

Table 6.2: Types and Description of the Consulting Firms

| Consulting Firm | Nationality | Type | Strategy Implemented | Objectives | Services Provided |
|--|-------------|------------------------|---------------------------------------|---|--|
| McKinsey& Company | USA | Management Consulting | Expansion Strategy and Centralisation | To establish a good brand internationally, and to transfer knowledge and experience | Provided a viability study based on strategic models such as PESTEL and strategic positions. In the second case, management restructuring in order to increase market share by quickening the management process e.g. bank loans. |
| *Scala Certified Partner (SCP) and **United YousefNaghi Co. Ltd. | USA, KSA | Information Technology | New System Installation | Communication and Corporate Image | Provided a platform for the bank to better communicate with its employees, educating them about the bank's products and services, and enhancing the service they provide to their customers. To customers, branded messages aimed at providing an uplift in sales by informing customers about the varied products and services the bank has to offer. |
| Deloitte (LLP) | UK | Financial Services | Market Segmentation | To increase the market share and establish a brand name at the corporate level. | Help in consulting the business model, to enable better decision-making processes. Assisting on financial data in investment appraisals for the new corporate market. |

Notes: *This company deployed in 300 of the bank's branches Scala Info Channel digital signage software; **this company provided the staff with the training and skills needed to perform the new system.

One Islamic bank studied is considered the biggest Islamic bank in the world, which has for over thirty years dominated Islamic banking in the region. The bank asked the consulting firm, McKinsey, to help in two ways: first to assist in decision making processes, and secondly to increase both the bank's assets and transfer of knowledge outside the kingdom of Saudi Arabia.

The General Manager of strategy at IB1, who leads the strategic department in the headquarters of the bank, has seven years of experience in this field, and previous experience in consultancy. He commented that:

At the early stage of the decision we had two strategic options, either we increase our market share in the corporate sector, or we expand our business in terms of potential...

On being asked whether these decisions are strategic and what the objectives behind them are, he replied that

Strategic decisions must change or re-shape the future of the organisation in terms of development, intelligence, and even its behaviours from inside and outside.

The researcher asked if these are the only strategic options the bank had at that time. He commented:

In fact we are the dominant bank in this region, but in retail sector with more than 75% market share, we still have small share in the corporate industry. The objectives were to increase our strength and transfer our knowledge outside the region by entering a new market or to increase our share in the existing market. The consulting firm recommended us not to compete in the corporate market as it is strongly dominated by the conventional banks, also the retail market, which we dominate, is bigger and quicker in terms financial returns.

As the bank has experience and knowledge in the Saudi market, the next query is related to as why did the bank not stay in the Saudi market, to compete in a known environment, and instead prefer to enter a totally new one. The interviewee stated that:

This was a big decision. We held too many meetings with the board of directors. In fact we asked for help from consulting firms. One was being McKinsey, as it is the most recognised company in consulting management and investment.

On querying about this process, he stated that

Generally, we had a good experience and successful strategy implementation in the past with this partner. Regarding these decisions and after several meetings we agreed with them in going ahead with expanding our market to Malaysia since the legal barriers were removed for expansion in that market. In doing so, paper work has been arranged from them including finance, legal services and other matters... a few months later, they provided us with a visibility study which included economic and management risks also the potential benefits, driving forces, project charter and etc.

In focusing on the personal role in the mentioned strategic implementation processes, the interviewee confirmed his role as a decision makers in the bank, when he stated 'Yes I am and I am on the board of directors in this bank as well'.

The researcher also had the opportunity to interview the corporate manger regarding the strategy in question, as it was felt he could provide insight into this case where the strategy options of the corporate sector designed to increase market share were refused by the board of directors. The corporate manager commented:

It is totally up to the decision makers in the bank in deciding which way is more profitable than another... but in my opinion we are still in a weak position in the corporate level and I believe there is a place for us. I have clearly put my stand and our condition to my direct

mangers. Regarding McKinsey&Company, I think we have a high successful rate working with it. The way it works is that we receive the strategic decision from the top management, which has been set and planned by the consulting firm, and then we have our meeting with the direct CEO who owned some shares in the bank as well. This process involves paper work, direction, objectives, and presentation. The strategy has 5 years plan, we are in the fourth year now.

He further comments that:

The strategic decisions usually come from the top level; we are the implanters of these decisions. At the beginning, we had three options: to merge with another Malaysian bank, to acquire or to expand on our own. Another bank in Saudi Arabia went to Turkey and has acquired the largest Islamic bank there; this bank now is struggling, that Saudi bank is well known for its risk-taking strategies. The consulting firm strongly recommended our leadership for geographical expansion on our own. Yes, we have faced so many challenges in the early implementation especially from the cultural differences. That is why later the consulting firm suggested the management should be 100% from Malaysian people, but our bank own 100% with full responsibilities.

Discussing the case of corporate level strategy, one interviewee was with the corporate manager of the IB2. This bank was founded in 1975 and started its operations in 1976. The strategic questions discussed related to market segmentation, with aims to increase market share and establish a brand name at the corporate level. The interviewee commented that:

Our consultant, Deloitte, has helped us in crafting a business model and assisting top management in the decision-making process. Their contribution and support is continuing from the early stage of the decision all the way through until we implement our strategy including business evaluation, financial data gathering, and investment appraisal. They also help our managers in providing them with the training and knowledge needed.

It should be noted that even during and after the financial crises in 2009, this bank experienced only very minor effects due to its strong liquidity, its strong link with government agents, and its policy of conservatism.

The role of the consulting firm regarding the centralisation strategy of the conventional bank was discussed with the Vice-President of the CB1 in question, who has twenty-eight years of banking experience, as well as previous experience in the consultancy business. He commented:

In fact this strategy should have been implemented five years ago, we faced pressure from the shareholders in relation to previous year's profits. We have asked our partners for the best management consulting. They re-study the current satiation of the bank and come to recommend us changing the manner of the localisation process. For example, loans were taking a longer time and costing the bank unnecessarily, plus the branch managers could not understand in following the bank's polices. Thus, we needed to deal with this problem and get it changed as soon as possible.

In responding to the question that the bank undertook this process by itself, without the need for external aid; he commented:

We had some people inside the bank agreed in that, but my experience proved to me that our partner has the stronger ability and much advanced methodological rigor. They know exactly the state of the market, competitors. I don't say we do not have skilled managers but a know-how firm like McKinsey & Company hand by hand with our home expertise would bring better results together. The company helped us in redefining our strategy; shared with us the best-centralised approach with a successful business model.

Similarly, when interviewing the manager of the risk management department at the same bank regarding the centralisation process, this interviewee added that:

Now I would say the risks and the appraisal system are much better, especially after establishing three credit centres in three main cities in the Kingdom as result of this strategy. The branch managers have to collect the information and applications from our clients and electronically forward them to the credit centre for further investigation and decision. Our aim is to establish a centralised processing centre for each city in the Kingdom by 2017. The consulting firm is still working with us in the implementation and the evaluation process. This strategy of centralisation is within its second year; every year we have plans to follow, targets and objectives to meet. The process is step by step and we are learning from our mistakes and try to fix them. When you work with someone who knows, your business is less risky.

Regarding the market segmentation strategy in the IB2, the interview was with the sale regional bank, who commented that:

Our position and market share is rather weak in the retail sector due to very high competition from other Islamic banks... In this sector the dominant bank left little room for its competitors... So the bank asked for help from external firms in order to assist in this matter... the expertise people in the consulting firm meet with the board of directors and recommended not facing direct competition with that bank but rather establishing a better brand name at the corporate level... the good thing about this company is that some of their experts are Saudi nationality, others are from surrounding Gulf countries who know well the business environment and economical and governmental boundaries... Now we have increased our sales for this year by 4%.

In responding to the technical side of the process, the IT manager interviewed in regard to new system installations in CB2 stressed important points on the role of the consulting firms in stating that:

Our research centre at the bank have noticed a decrease in sales, increase in customer's complaints and poor service from the bank's employees... top managers and myself have recommended to the board of directors in the quarterly meeting to get help from our consulting partner...

The interviewee was asked whether it would have been possible to solve this problem in-house, without outside help, and he responded that

‘we needed some help from the one who knows, the one who finds the missing bits, providing a sense of business and best low-risk solutions’.

In further reflecting in this issue, the operations manager from the CB2 added that:

Our business partners met with the board of directors explaining the needs, problems, and best solution for the bank... generally, they have found poor knowledge associated with poor training of the bank employees including products and services that they provide to the clients... thus, the consulting firm that is SCP in relation with United Yousef, which performed the training for the employees, has provided us with a business solution to this problem. These two firms have been active partners and play key roles to our business in creating and improving our employees’ knowledge by assessing our needs, design, and implemented IT platform in order to communicate more effectively with employees, educate them about the bank’s products and business, and enhancing the service that they provide to their customers... both partners have contributed to the operation process of this strategic project including training, communication, and involvement.

He further reflected that:

The demand from the Middle East for consulting firms such as SCP is become more and more due to their complex knowledge with high professional services and support of the Arabic Language. I would say we brought talents who provide and assist in the strategic planning and implement the strategy to serve the right clients. Most of our successful strategies apply in a collaborative approach, in this strategy, we partner with SCP to provide the best implementation methodology in expertise of technology with the knowledge of and highly skilled employees in the bank, side by side with the continued training needed from United Yousef LTD.

6.4 EMERGING THEMES RELATING TO FACTORS INFLUENCING THE IMPLEMENTATION PROCESS AND ITS OUTCOMES

After an extensive reading and examination of the eight transcripts produced from the interviews, obvious themes emerged relating to the factors influencing the implementation process and its outcomes. For the sake of this study, the researcher chose to categorise them under main core themes, similar to the categorisation used in the questionnaire survey. Two themes significantly appeared during the transcription of the data. These core themes are firstly, ‘the importance of organisational features includes religion’, and ‘the prevalence of top management support’. The second core theme is ‘the operational theme’, including features of ‘communication and involvement’, ‘interest groups’, and ‘control and feedback’. Other factors were also identified by the interviewees, yet these appeared to have less influence in the implementation process. For example, the ‘strategic structure’ is an easy process for firms to design, and banks have not faced any really challenges concerning it. For an example of the strategic structure for both Islamic and conventional management, refer to

Appendix 7. The following section, however, presents the data findings regarding both the core and the sub-themes.

6.4.1 Organisational Theme

Under this core theme, two important areas were reported frequently in the eight interviews: ‘religion’ and ‘top management support’. Initially the researcher planned to discuss the issue of ‘religion’ with only the Islamic banks, but this issue also arose during the interviews with conventional banks. The researcher decided to collect this information from conventional banks as well, as it could establish patterns for how religion could either conflict with or influence other strategic issues. This is justified also on the ground that Saudi Arabian society is a religiously conservative society in general.

6.4.1.1 Religion

In the interviews, religion as a factor impacting the strategy implementation process emerged as an important theme in the samples of both types of banks.

It should be noted that in the case of Islamic banks, religious practices are mainly presented and ruled by the *Shari’ah* board committee, while for the conventional banks, as the findings indicate, Islamic values and ethical issues have neither influence nor effects on the implementation process, as religion is not considered to relate directly to business practices, apart from the committee needing to approve *Shari’ah* compliancy of the products. The analysis of the data gathered from the interviewees show that the *Shari’ah* board committee is considered as a source of legitimate power in the conventional banks as well, and a way of enhancing business activities. In the Islamic banks *Shari’ah* board is presented as a key part of the organisation’s vision. Thus, it was found to be an important factor for core businesses practices.

The vice president of the CB1 in regard to centralisation strategy commented:

Although we have an Islamic window at the bank that provides Islamic products and services which is under the *Shari’ah*-compliant advisory board, the *Shari’ah* board members are never involved or are part of our strategic decision formulation and implementation... we at the bank provide Islamic products and service because our clients need that. Their role is to review and supervise the Islamic products and services. It is therefore making sure that the products and services not prohibited by Islamic law.

Regarding the new system installation strategy, the IT manger of the CB2 commented alike:

Religion practices, including ethics and values, have nothing to do with our strategy implementation. Yes, Islamic products are offered in the same way the customers want. The top management approach their strategic decision for this system and the role of *Shari'ah* members has nothing to do with it.

In the case of Islamic banks, the interviews showed that religious values and practices have an impact and are involved in the strategy implementation process. For example, when interviewing the General Manger of strategy in relation to the expansion strategy of the IB1, he commented:

After we succeeded in the Arab region in establishing a strong brand name and a high first class Islamic banking services, we should know to expand, share our story, and enhance our learning globally. Our organisation's mission and vision are built on being *Shari'ah*-complaint, which means the *Shari'ah* advisory members acting in the strategy implementation process based on the bank's objectives. Interest groups who are supporting the *Shari'ah* regulations and rules are playing key roles in the operations level when implementing the strategy of expansion. I am telling you we are a true Islamic bank in all business activities.

The corporate manger in the case of the expansion strategy, although not agreeing with this strategy as he thought it was less of a priority than increasing market share in the corporate sector, commented:

The consulting firm understands the common interest and powerful rules in the *Shari'ah* board members, thus they are working together in cooperative business practices. The *Shari'ah* members are clearly involved in the operative level of the strategic process in terms of coordination, interest, designing, and also structuring; by the end, they want to achieve what they agreed to.

An interesting point was made by the corporate manager of the IB2, in regard to the market segmentation strategy, as follows:

The *Shari'ah* board does not clearly participate and involve itself in the decision-making activities, they do not formulate the strategy but the strategic decision itself has to be according to Islamic values and goals that the *Shari'ah* committee has to agree with. If the strategy itself or part of is not in compliance with Islamic laws this strategy, will fail and surely be rejected no matter how profitable it is. In the past, some products associated with other strategy initiatives were identified by the control department of the *Shari'ah* committee, the products had to be restructured, and its very big profits were given to charity. I would say they review and support us in every single issue as well as have really strong public and social contacts.

The regional sales manager in the IB2, in relation to the market segmentation strategy, stated:

We are fully converted to being an Islamic bank that applies Islamic concepts and values; our new strategy is unique as it seeks to build a trusted relationship between the clients and the services and products we offer. To do so and as the Islamic values and ethics we hold, one member of the *Shari'ah* board came to recognise the need for a social responsibility project known as “Blessed Hand”. Beside the economic objectives for this project to invest in human capital, it is also helped to increase the living standards among Saudis and decreased the unemployment level. Also, we have a department under the management of strategy to perform the role of communication between the *Shari'ah* board members and the consulting firm. This department is ruled to facilitate the transfer of information between them. We are different from those who only claim to be Islamic banks in terms of adhering to Islamic social and ethical responsibilities, which is the heart of Islamic faith.

6.4.1.2 Management support

It is expected, as indicated in the literature, continually high level of support from organisational top management frequently results in high rates of successful strategy implementation outcomes. The interview data in relation to this factor in this study showed that the top management issue has two main positive aspects; ‘the commitment of the leadership’ and ‘the availability of resources’. According to the interview data, both these aspects positively influence the operations and the project levels in terms of the timing and priorities of the implementation process, which contributes to the success of the strategic decision. These factors, as the analysis shows, influence the strategy outcomes, facilitating and developing the process towards more dynamic and efficient methods. For example, they can lead to faster communications between different departments, establish a strong timescale for the project, and facilitate the obtaining of resources needed for implementing the strategies. Thus, all the eight interviews stressed the important roles of top management support in influencing the implementation process. For example, the IT manager from the CB2 commented that:

Even the most sophisticated strategy cannot reach its full potential in terms of successful implementation if the resources are not available or not appropriately positioned. Our managers are committed to reach the bank’s objectives. All the necessary resources and information were available. One thing I think that was not good is the delay in delivering some important materials related to the IT project. The reason for this delay is because of the new information system on the inventory management

In supporting this, further, the operational manager of the CB2 commented:

The information and instructions were so clear by the top managers but the problem was with the inventory. We have noticed an old system so we have updated it quickly. The top managers are really committed in providing financial and rewards support over the period of the implementation.

In providing further evidence, the general manager of strategy, regarding the expansion strategy in the IB1, stated:

It was no issue with us in fact we are fully supporting the entire stages of the strategy implementation period. We have issued the project charter to ensure our commitment and allocation for both financial resources and responsibilities rules.

It seems, hence, that the implementation of multiple projects relies on top management support in terms of deciding priorities, and ensuring the availability of resources and time. In evidencing this, discussing the segmentation strategy with the corporate manager at the IB2, he remarked:

It is a crucial stage of the implementation process and I believe it is one of the important factors. At the beginning two years of the strategy we were supported by top managers in terms of resources and training but after that we felt their support and commitment declined at some point. I think because we have many strategic projects at the same time and at some point the segmentation strategy was given less priority compared to other strategies.

An important issue with strategy implementation can be seen to be with cases of multiple projects, where the fewer projects the organisations implement the more time and resources will be given for each project. Top management can focus on and support one project in a much more efficient way than for multiple projects.

In an interview with the Vice-President of the CB1 regarding the centralisation strategy, in relation to running multiple projects, he commented:

Management support is varying from one strategic project to another. We cannot give each project the same level of importance. The centralisation strategy was with no question the most important strategic decision for last three years. The bank was struggling in terms of time and costs from bad decisions regarding individual and corporate loans. This decision has full support from us from the time we decided; our objective is to implement credit centres for each city in the kingdom. Our responsibilities are to position the appropriate resources that the project needed.

In further reflecting on management support issue, the risk management manager regarding the centralisation strategy of the CB1 commented that:

Some powerful people were against the implementation of this strategy for the sake of their own interest but senior managers insisted to execute it. They carried out every effort and commitment in supporting this project. Because this project was a priority for the bank, we had no problems in terms of finance or availability of resources. Sometimes we have challenges facing our teams, but I would not call them problems.

It seems that the more value and priority the project has, the more committed the managers are and the more resources will be available. Even though certain strategic projects were

taking more time than expected, this seemed to be fine with management as long as it created no major effect on the outcomes. This is because some other strategic decisions have to be implemented while other projects are in progress.

6.4.2 Operational Theme

The ‘operational theme’ is the second category discovered in the interviews, containing three important sub-themes, which were reported frequently in the eight interviews. These three were: interest groups, control and feedback, and involvement and communication, including having a single point of contact as a systematic approach to communication and ensuring commitment.

6.4.2.1 Interest groups

According to the data analysis of the interviews, the presence of interest groups is another theme considered to be an important factor influencing the strategy implementation process and its outcomes. In relation to Islamic banks, interest groups take the shape of *Shari’ah* board members and the general public. In the Islamic banks, therefore, both of the strategic decisions studied were challenged by this factor over the course of their implementation processes. With the exception of the new system installation strategy, the other strategies, namely the centralisation strategy in the conventional banks, showed that interest groups play important roles during the decision and implementation processes, whereas macro-level interest group is identified in relation to the chosen strategy.

In explaining the interest group issue, the General Manager of the strategic department, regarding the expansion strategy in the IB1 for the Islamic bank, stated:

70% of the board directors have agreed to facilitate the strategic decision. The rest were silent and silent people do not usually count. I have to say that the bank was really in need to expand its businesses after successfully leading the Islamic bank in Saudi Arabia. The strong disagreeing groups were to try to convince us not to establish a new bank in Malaysia as they tried to pass the idea of a merger with another Malaysian bank, and the others felt that the entrance into the corporate market is a better option. We had some interest groups fighting for their interests and benefits but they have no influence over the bank’s decision. By the end, we try to convince them, otherwise they are not counted. People who are against the strategy implementation usually are not involved in the process of execution.

In providing further reflection, he commented:

Being the first bank in Saudi and the biggest Islamic bank in the world means that we have a double pressure from inside (shareholders) and outside the social environment. Those people from outside were not necessary involved in the process but every step we made we should take them into consideration. We cannot test people in their faith on us. You know in this country social communities are very strong. The structure now has changed so we have two *Shari'ah* members participating in the decision-making process and those people have more power than before.

When discussing the expansion strategy in the IB1, the corporate manager commented:

I am against this strategy because I think other strategies such as corporate strategy has more priority, I have tried to prove this to the chief executive and the head of strategy, but they refused my case.

On the other hand, and regarding the market segmentation strategy of the IB2, the corporate manager commented:

People who are against the decision are few... I cannot tell you whether they have a positive or negative influence. Those managers just disagreed for the reason that the bank has not succeeded yet in the commercial segment or retail sector and it is not ready to move to another market segment that is corporate. They have failed to prove to the directors that this strategy is not a success.

Another opinion in relation to interest groups issue given by the Vice-President regarding the centralisation strategy in the CB1 was:

No matter how the decision is beneficial or not the interest groups played major roles regardless of the size and the nature of the project... also these groups vary in their size and power... those people usually finds their interests outside the bank and did not necessary present it to us, but we still know them. Usually they are either representing other specific economic interests or self-interests. As mentioned before, the credit centre should have been established five years ago but some groups benefited not to implement this strategy because they were financially secured from the old system. Regarding this strategy, people who were against the implementation tried to destroy the official key decision makers for the sake of supporting their own interests by establishing self-parties inside their departments that are strongly linked to them. Let me give an example: when deciding to implement the centralisation strategy some key managers, I know them by name, created a collusion group in order to resist the change. This change of the strategy would cost them a lot of interest and positions as well. So they used other employees to create problems inside their departments or to indirectly refuse orders so top management will be in bad positions.

The researcher asked the head of the strategic department in the IB1 as to why there is no separation in the names of Islamic and non-Islamic banks. He became silent, and then said:

Back around 1995 the family owner of the biggest Islamic bank in Saudi came to a decision maker in the government asking for support to announce this (now, we are the only bank in the country which operates in full Islamic view and offers Islamic products, I think we should distinguish between Islamic and non-Islamic banks so people will know their Islamic views). The key decision maker, because of the family relationship and own interests, played as a messenger to pass this message to a higher level authority who replied to them that 'our

people are already Muslims, that is why we believe not to distinguish between Islamic and non-Islamic views’.

By giving these examples, the interviewee implied that Islamic banking sector is also motivated by profit and expansion of their business for which they would attempt to use political authority in re-shaping the competitive market by political intervention.

It seems that there is often an informal party inside an organisation. The General Manager of the IB1 further commented that:

These informal parties take a real powerful centre more than formal party. For example, those interest groups have been formed with illegal authority and responsibility as a result of defensiveness and feelings of security from the formal party. Those interest parties usually formed or presented at the top level with the aid from bottom, management corruption can accrue if we ease the traffic for them. Let me tell you something, liberal groups in the bank are little and those people are totally against the Islamic bossiness practices.

From the above interviews, it can be concluded that the interest groups, whether at the micro or the macro level, have influenced the processes of strategy implementation. In doing so, they badly consume the time and resources of the top management to protect their own strategic decisions. There is a sort of internal and external hidden war between the key managers through the creation of such collusive groups. ‘Management corruption can accrue if we ease the traffic for them’ (The General Manager), which, therefore, increases the corruption level, which causes problems of implementation control and for achieving strategic goals.

6.4.2.2 Control and feedback

The interview data showed that the control and feedback factor impacts strongly on the performance of the implemented strategy. The higher the strategy in terms of significance, value, and consequences for the firm, the higher the level of control will be given over that strategic process. The results show that Islamic and conventional banks do not have problems with this factor, rather this factor is acknowledged as a healthy method to check-up the progress and the final results of the strategy implemented, assuring that the road map of the strategy is on target. In addition, the analysis showed that a control and feedback method for some strategies increased at certain points of time during the implementation processes, for instance when time and value is a higher priority in one of these projects. The findings also indicate that in other strategy cases the feedback is given after the implementation is a completed, example for this being the centralisation and new system strategies. This often

happens when these projects are less highly valued than other projects. Moreover, the analysis of the data suggests that it is preferred by the top management to review and have more control and feedback over the course of the implementation if the strategic project is high in value, as the method of regular check-ups requires more time and cost. It is also found in the data that a systematic feedback method before, during, and after the project brought better results in terms of achieving the strategic objectives of the project, more than doing these after the project is completed.

In highlighting the importance of control and feedback, the General Manager of the IB1 commented:

We work together with business partners who review the strategic process and activities on a three months basis, sometimes we modify or make changes on the goal settings, respond to any environmental or governmental changes, but overall strategy is almost the same. We need to have regular assessments to measure how far we are from the actual targets.

The corporate strategy manager of the IB1 agreed with this in stating that:

I think control over the period of the expansion strategy is necessary; every department involved in this strategy has to meet its target. We have document checklists, plus every manager has to produce a report which includes performance, problems, and obstacles they might face so we can manage these in the early stages.

The risk management manager of centralisation strategy in the CB1 in relation to this issue commented:

It is always hard to estimate challenges or problems that we face during the implementation process and it is harder also to try to control or prevent them before accruing, the reason for that is because we did not have the right information. I consider control as a really impactful factor during the implementation because it provides us with information on our mistakes, leading to measuring and corrective action toward our target. Control and feedback combined with correct information minimise the risk of unexpected events during the process.

in providing a different view, the Vice-President who was in charge of the centralisation strategy decision commented that:

Our strategy is important but it was not the only strategy we implemented in this period, so we choose to provide feedback at the end of it. This method of feedback gives us more feasibility, for example, it provides us with a way of measuring our planning and actual targets we met as well as giving our strategic teams more confidence in the efforts they put in.

in further evaluating the control system, the participants were asked whether this control system worked well for the bank. The Vice-President responded that

It is always good to control and review the project at certain times, but it is hard for us to do this with every strategic project we do; in the end we survived.

The interviews depicts that in the IB2, conducting the segmentation strategy, some errors accrued at the time of reviewing the strategic progress. In relation to the new system strategy, therefore, the IT Manager commented:

The objective of this strategy is to have our employees, especially the floor employees, more educated and well organised so they can deliver the best service to our customers. We have noticed a big change compared to the previous period of last year in terms of sales and profits. Finance, IT, and sales departments are greatly involved in this strategy as well as we have reviews from our partner who is responsible for the training courses. Each department is responsible for reporting and presenting the situation so top managers can assess and control the planning efforts and performance.

The operational manager of the CB2also responded to the issue of control and feedback:

Our bank represent a risk-taker organisation in the Saudi Market, also in the past we have been known for tight bureaucratic management that just follow the rules and policies; now we are changed, we have become a more open bank that trains and trusts its employees. Those who participated in the strategy also participate in designing the control system; we evaluate and rate our performance against the standards set. Because it is information system strategy, we had to review and evaluate the progress during the implementation process; marketing and sales departments are also providing feedback to us.

6.4.2.3 Involvement and communication

As reviewed in Chapter 2, certain studies mentioned treated involvement in the same way as treating ‘communication’; others referred to communication as a similar concept to involvement or participation. As factors in strategy implementation’, it is difficult to isolate ‘communication and involvement’ from one other, as both have a method of sharing a flow of information and exchanging business views between two or more parties concerning a particular issue. No matter how big or small are the issues or strategies involved, participation from different organisational levels, when a strategic project would benefit from their opinions and inputs, improves the level of effective communication and brings no harm to the strategic objectives. Involvement, especially from middle managers and lower level managers such as team leaders and supervisors most likely attached on a daily basis to the business strategy, indeed positively affects implementation processes.

It should be noted that most of the interviewees agreed on the important role of effective communication and involvement, in the sense that this practice would guarantee the

appearance of commitment and mutual understanding between different levels of an organisation. Moreover, the interview analyses also show that operating with a single point of contact has played a key role in ensuring effective communication between top managers and lower level management. When a single point of contact takes the form of a single department having a dual system of communication, that department is considered as responsible for both passing on and receiving issues related to a project, setting up meetings between different organisational levels, following up cases, and documenting themes, along with providing updated information for the lower level management. This structure was demonstrated in the case of the growth strategy in the IB1. The general manager for the strategic department, therefore, commented that:

Effective two-way communication between the decision makers in Saudi Arabia and the implementers in Malaysia resulted in a proper understanding of the business strategy with regard to the definition of goals and actual planning. We had many meetings with our consulting firm and the subsidiary in Malaysia, we should all be involved not only in how we are going to implement this strategy but also we discussed various aspects of the decision itself. If those managers do not involve and communicate effectively, it would be so difficult to transmit and facilitate the business objectives to their lower level employees.

While interviewing the corporate manager in relation to the same strategy, he mentioned:

We want to tell the operational managers what we aim for and what we acutely need to be done. We open so many seminars, meetings, and share each other's ideas so the operational features of the projects are running at the most efficient level. If we failed to communicate with our people and not make each interest group involved in the project, then the approach of the business strategy would not have met the organisational goals.

It is clear in the case of the IB1 that the control department played the function of the single point of contact, also ensuring that every transaction was not against Islamic rules, which demonstrates the commitment level from the bank's leadership in adhering to their Islamic vision.

The Vice-President of the CB1 of the centralisation strategy commented that:

Making those managers who are responsible for implementing the strategy involved in the process by listening to their opinions and real business experience has a great impact on the long and short-term outcomes of the strategy. They would remain attached, focused, and know what is right and wrong. In the bank, we have a department under the management of strategy to perform the role of communication between senior managers and the consulting firm, and between all departments involved in this strategy. Thus, it takes the role of facilitating the information to each party involved in the strategy, which I think smoothes the work progress especially for the short-term objectives.

The role of involvement has been documented by the operational manager, regarding the new system strategy of the CB2:

The organisational culture at this bank has been changed since the time of the re-structuring of the ownership, so the new leadership believed that in order for real commitment towards someone's job, involvement in the strategy has to be there. I have meetings with my teammates every two weeks to review and evaluate the work progress, also we share information and look at what is right and wrong. After that, these ideas are passed to our direct manager who reviews them with me. The top managers are not always bothered by this information; rather, they care about the results.

In regard to the segmentation strategy at the IB1, the corporate manager added:

Machines do not require communication but humans do. Although the strategic decision and planning has been made within the board of directors and the top management. My responsibility is to make what has been discussed between them happen. If there are challenges in the planning design, we are free to change whatever necessary as long as it does not affect the overall strategy. We had many meeting with those top managers discussing the objectives and results, and any important ideas from my department are also listened to.

6.5 CONCLUSION

This chapter began with describing the statistics of the interviews' responses. As identified above, top managers were interviewed in both conventional and Islamic banks, with each interview lasting approximately forty to fifty minutes. The aim of the interviews was to understand certain issues in relation to approaches to strategy implementation, factors influencing the implementation process and its outcomes, and the role of the religion factor.

As a case study, four strategic case studies were studied, two cases for Islamic banks and two cases for conventional banks. A narrative analysis of these cases was made, which generated the significant core themes.

The findings indicated that the use of consulting firms is vital for strategic business success, and their roles went beyond the implementation process, to assisting also in decision making and continuing to provide feedback and control mechanisms. Following where many strategic management researchers have noted the factors problematically affecting the implementation process, it seems that challenges facing the top management and implementers are the problems that provide obstacles to the success of a strategy. The argument is that continued learning mechanisms, including unavoidable mistakes, are part of the implementation

process. It seems from this study, therefore, that planning, learning and power approaches do influence Saudi banks' strategic processes.

As the discussion so far indicated, two themes significantly appeared during the transcription of the data. These core themes were the organisational theme, including religion and management support, and the second core theme of the operational theme, including 'communication and involvement', 'interest groups', and 'control and feedback'. 'Religion practices' was found significant in the banks are presented and ruled by the *Shari'ah* board committee. However, for the conventional banks, Islamic values and ethical issues had neither influence nor effects on the implementation process, as these values were not considered to be part of the business practices; as the committee would simply afterwards approve suitably *Shari'ah* products. Therefore, the analysis showed that the *Shari'ah* board committee is considered as a source of competitive advantage for the conventional banks. In the Islamic banks, this Islamic committee is presented as the heart of the organisation's vision. Thus, it was found to act upon core businesses practices.

In concluding, this chapter provided in depth analysis regarding approaches to strategy implementation, and its challenges through the perceptions of the high level participants in the chosen case studies. It also contributed to crystallising the issue of consulting firms in influencing the strategy implementation process and its outcomes. Moreover, it explained the fundamental role and rules of the religious factor in the strategy implementation process.

The next chapter will conclude this thesis by discussing and summarising the results of both the questionnaire survey and semi-structured interviews of the sample of Saudi Arabian Islamic and conventional banks and present some reflections on both sets of the results in an interpretative manner.

Chapter Seven:

DISCUSSION AND CONCLUSION

7.1 INTRODUCTION

This thesis aimed at exploring and examining the implementation processes of strategic decisions within conventional and Islamic banks in Saudi Arabia in a comparative manner. Three objectives were set at the beginning: the approaches to strategy implementation, the factors influencing the strategy implementation including the role of religious factors, and the differences between Islamic and conventional banks in the implementation of strategic issues. For doing so, semi-structured interviews based on strategic case studies were utilised for primary data collection, with questionnaire surveys as complementary tools.

This thesis began by stating the research problem and the motivation behind conducting the study. A critical literature review was then put forward, including historical views from various schools of thought on strategic management, previous developments of issues within the implementation process, and previously developed empirical frameworks.

After identifying problems in the implementation process, this thesis established the objectives and research questions concerned to examine them. A systematic methodological approach was designed in order to respond to the research questions. A continuing contribution to this thesis has been a mixed methods approach, which has not been used in previous researches, and certainly not in comparative studies. The mixed method approach was justified for adoption in this research, which resulted in semi-structured interviews and questionnaire surveys being utilised. In doing so, interviews helped to determine the strategy

implementation cases from four banks; and therefore questionnaires were conducted with only those banks, which were identified with such cases.

After chapters 4, 5, and 6 reported the empirical findings, this chapter provides a summary of the data findings from, both Islamic and conventional banks, and also will highlight the limitations of the research in terms of data sample and variables limitations. In doing so, this chapter has an outline as follows; Section 7.2 provides a review of the findings, Section 7.3 discusses the limitation of the study, and Section 7.4 provides implications for further research.

7.2 REVIEW OF THE DATA FINDINGS

The three empirical chapters (Chapters 4, 5, and 6), presented the findings of this study by focusing on the particular aspects and methods. This section aims to reflect on those findings through an interpretative method.

7.2.1 Factors Influencing the Strategy Implementation Process and its Outcomes

Based on the findings developed through the data in relation to sample of Saudi Arabian banks, there are major challenges facing bank managers during the strategy implementation process. Many of the previous studies preferred to call these as problems that prevented successful implementation, but the findings in this study consider these factors as challenges instead of problems. Those challenges are more concerning about the process and people who are involved in such a strategy than the concerning of the problems or risks associated. It should be noted that these challenges are vital and should be treated as healthy tools in carrying out the strategic process. All the sampled banks in this study had experienced successful strategic cases, and the findings show that there are influential factors that determined the success of their implementation.

Amongst these factors are seven factors that proved significant predictors of the strategy outcome. Time, with a t statistic of 2.61 and a p value of 0.010 (<0.05), is a significant predictor of outcome factors. Priority, with a t statistic of 2.08 and a p value of 0.040 (<0.05), is similarly a significant predictor of outcome factors. Top management support, with a t statistic of 2.07 and a p value of 0.041 (<0.05), is also a significant predictor of outcome factors. The factors of religion, organisational structure, involvement, and communication (with p values of 0.055, 0.065, 0.073, and 0.060 respectively) could equally be considered as

significant in influencing outcome factors, since their p values are just slightly over the critical value of 0.05.

Overall, the findings of the questionnaire survey were similar to the findings of the semi-structured interviews. Thus, the surveys should be treated as complementary to the interview data. The data gathered through the interviews provided a concrete case for each strategy being studied, and normally led to discussions on the subject of strategy implementation in greater detail than the questionnaires did.

This study's findings are more or less consistent with previous studies such as Stonich (1982), Hrebiniak and Joyce (1984), Galbraith and Kazanjian (1986), Hamhovek and Cannella (1989), Thomson and Strickland (1995), Waterman *et al.* (1980), Kargar and Blumenthal (1994), Miller (1997), Ghamdi (1998), Okumus (2001, 2003), Obidat (2010), and Ali and Hadi (2012). These similarities, however, have exceptions, with the following factors as being the new variables influencing strategic outcomes; project factors including time, their value, and the priority of the project for the firm. The data found that the greater the project in terms of its value, duration, and priority, the more successful the strategic outcomes would be, and the greater the resources and commitment would be given by the relevant firm. The religion factor was also found to be significant, and played a key role for the banks. This factor is discussed later in this chapter.

The interview data also found a strong interrelationship between factors themselves; therefore, the fit between factors is essential to understand successful strategy. This study insists that interaction between variables can strengthen the whole process, and give more flexibility within different projects. For example, the interaction between project and control factors, where the higher a strategic project is in terms of significance and value, consequently the higher the level of control given toward that strategic process will be. An example of the Islamic strategy in the content and implementation process by the conventional bank is illustrated in Appendix 5. This Islamic strategy considers the fit between certain variables when strategy implemented. Among those variables are; religion, communication and involvement, training and skills employees, top management support, control and feedback, technical and financial resources, and structure. For the most influencing fitted factors regarding the Islamic bank, Appendix 6 provides further details.

There were further factors, such as projects factors, found to be significant in influencing the strategy outcomes, which had not been mentioned as core themes in the initial interview process, as interviews provided the ideas about factors. However, their influence was clear and their interrelationships proved to be strong with the main core themes. Among these, for example, are the relationship between the priority and value of the strategic project, with the factor of top management commitment influencing the strategic outcomes, the top management commitment influencing religious practices, and involvement in the operational process relating to *Shari'ah* values at each organisational level.

It is important to note that it is impossible to treat each factor isolated from one another; it is also difficult to prove how certain variables are more influential than others. Those important variables are most likely to be those considered when formulating the strategy, giving the project a sound business background, and achieving a systemic understanding. Thus, complementary factors should be seen as affecting the whole process, not only alternative aspects. It is also worth to point out determining factors in a particular strategic case may not necessary be influential factors in other strategic case implying that each case has its own peculiarities. In reflecting on the Saudi Banks sample, for example, the feedback factor in the case of the centralisation strategy had less significance or less weight from that of the expansion strategy. The argument then is that each strategy has its own distinguishing features including its key successful factors, also each bank has particular organisational environment, policies, and structures which distinguishes the adoption and success of a particular strategy.

As regards to the impact of 'interest group' factor in a comparison between Islamic and conventional bank, the data shows that in relation to Islamic banks, interest groups take the shape of *Shari'ah* board members and the general public. Thus, Islamic law is seen as core factor for business which enables the banks to gain above average return particularly in retail sector by gaining more advantages in the general public. Those individuals who believed or at least convinced by the Islamic banking practices are most likely be at the core business for those banks. For example, therefore, Islamic bank strategies are focused towards retail sector. In addition, in the extended interest group analysis, Islamic banks attempted a strategic move to distinguish themselves from the rest of the banks; however, this strategy did not win support within the Ministry of Finance. Thus, in this case, while Islamic banks moved with the motivation of overcoming the high degree of competition in the market by appealing to

the 'religiosity' factor, the authorities did not allow such a move. Adoption of such a strategy would have implied that conventional banks to lose the competition, allowing the monopolisation in the banking sector in favour for Islamic banks. By this disapproval the conventional banks managed to develop their own 'Islamic windows' through which they remained competitors in the market. It should also be noted that as an important interest group the key governmental agents should be recognised, as if the approval had happened, the majority of the key governmental agents would have lost their shares in conventional banks. In the conventional bank case, however, interest groups play important roles during the decision and implementation processes, where a macro-level interest group is identified in relation to the chosen strategy. It is also worth to look at the corruption level drifted by top managers at the conventional banks who are strongly linked with those who are working at the macro-level positions in important decision-making bodies within bureaucracy. Thus, since the interest groups are corrupted, the centralisation strategy has been delayed in implementation in the case examined in this study.

In reflecting on the findings in this study in relation to the main theoretical school of thoughts, the evidence developed from the examined case studies from Saudi Banks shows that the 'power and political school' appears to have influence on the process of the strategy implementation of both bank types. As the analysis and data showed that the majority of conflicts and positional interest accrued at the top management level leaving the lower level applying their agenda. It should be noted that in this the power groups are not necessarily form inside the banks, but also they are formed from external public and private agencies who joined the internally constructed coalition for their interests; which is very clearly illustrated in the case of the Islamic bank.

7.2.2 Approaches to the Strategy Implementation Process

The data from the interviews showed that consulting firms play a vital role in implementing strategies in Saudi banks. Both Islamic and conventional banks rely heavily on foreign consulting firms, and these firms have contributed to forming strategies in the sampled banks; hence a Western kind of management style has influenced the entire banking sector. On this particular dimension, a similar study by Alsagheir (2013) focusing on six Saudi banks found that all the banks had successful partnerships with consulting companies; and hence he provided similar findings.

It can be concluded that it is no surprise that Western structures have influenced the Saudi banking sector. For illustration, Citibank of America opened its first branch in Saudi Arabia in 1955, adopting full US policies and regulations. All the technical management practices, including organisational structure and business strategies, were brought from the USA, established, and operated in the Saudi banking sector. In late 2004, Citibank sold its shareholding to local investors and the bank became a fully local bank, named Samba Bank (Samba Bank History)². The interview data showed that consulting firms have greatly contributed to strategic planning and implementation stages, providing knowledge and skills to both the Islamic and conventional Saudi banks.

As was previously stated, the findings cannot confirm the argument that knowledge obtained through the participation of consultants influences the outcomes of strategy implementation. It is difficult to measure the financial outcomes of each strategy, and the measurement of the effects of consulting firms on the outcomes is even harder. Yet these consultations processes surely facilitated the process of both the decision-making and the implementation processes. As it is found that the use of consulting firms at an early stage of the decision making process, and during and after the implementation in the form of feedback and reviewing, was a common strategic approach for Saudi banks when implementing their strategies. It can also be predicted that the use of external firms is particularly notable when the strategic projects are large and highly valued, as the risk is less when outsourcing these projects, and some of the top managers were previously working in consultancy businesses, and still have good relationship with them. It can also be argued that it seems that lack of knowledge and skills in banks' top managers is one the reasons for using external firms.

Continual learning, especially from unavoidable mistakes, is also a part of the implementation process; challenges appear during the process even when strategies are well planned and balanced beforehand. Planning and learning approaches are highly influential approaches in the Saudi banks sampled in this study. The adoption of the positioning school as mentioned in the literature review by Mintzberger *et al.* (1998) and Porter (1980, 1985) is used by the conventional bank as alliterated in Appendix 5. The conventional bank sampled in this study strategically utilised SWOT and five forces analysis to determine the fit strategic position to compete in the banking sector. Those analytical tools as Mintzberger *et al.* (1998);

²Samba Bank History: Available at <https://www.samba.com/en/about-us/our-group/history.html>

Porter (1980, 1985) state have been developed from the positioning school because the positioning school views strategy formation as an analytical process, where the industry of given business is the context in determining how the business compete in that industry. In addition, the power and political school appeared to have influence the process of the strategy implementation of both bank types as explained before.

Moreover, the consulting firms used in the strategy implementation have rigorous methodological tools, and use deep market analysis, which aims to serve the banks' long-term objectives.

The majority of the strategic decision-making processes in the sample of Saudi banks seem to be top management issues, thus lower level management makes limited interventions, especially with regard to the decision-making process. Regarding the sampled conventional bank with a case study on the new system installation, cultural schooling, in changing the businesses' behaviour, seemed to influence the strategic project. For instance, in the implementation process, the top management bureaucracy was replaced by inter-level participation in the decisions, incorporating sub-departments. Although this did not secure the success of the strategy and not helping to achieve competitive advantage, it at least helped in understanding the tools for competitive edge by changing employees' behaviours toward business, focussing on employee-customer relationships. As aforementioned in the literature review chapter that each school has influenced the other in that they all contribute to the fit of the strategic content and process.

7.2.3The Role of Religion Factor in Islamic and Conventional Banks in Strategy Implementation

Saudi Arabia, akin to other countries, have its own distinct cultural values dominating and impacting also business operations and practices, which presents a context where religion and traditional values are strongly linked to everyday life, including the areas of organisational culture and operations.

At least two of the banks involved in this study comply with Islamic rules and ethics as Islamic banks, meaning that they run *Shari'ah*-compliant businesses. The Islamic or *Shari'ah*-compliant concepts and missions, to which these banks and their employees adhere, provide or create a means by which managers can run a project in an efficient manner, and can also establish a good 'public face' (or image) for practices. Employees, therefore,

believe, or at least accept that religion as a concept and practice is linked to the success of the strategy, helping to create a sense of belonging to the objectives of the bank and its strategy (Alkandiet *al.* 2013). A qualitative study of the religious values amongst Islamic banks (Alkandiet *al.*, 2014) found that Islamic values and principles within the work itself led to greater work motivation and job satisfaction, which ultimately resulted in better job performance in the sense that employees felt socially appreciated and valued them more while working in an Islamic bank. The question should then be raised whether this complex cultural value specially reserves a scarce resource for maintaining competitive advantage. Moreover, Miller (2002) states that religious values can be considered as a source of competitive advantage when a firm implementing its strategy and could be culturally far to duplicate.

The findings show that how religious practices in Islamic banks are presented and ruled by the *Shari'ah* board as an additional layer of a committee in the corporate governance of these banks. For the conventional banks, Islamic values and ethical issues had neither influence nor effects on the implementation process, as they were not considered to be business practices, rather the *Shari'ah* committee would simply approve suitable products. The findings also show that the *Shari'ah* board committee is considered as a source of legitimate power in the conventional banks.

In the Islamic banks, *Shari'ah* board is considered as one of the main bodies in validating the operations of Islamic banks which has direct implications on the core businesses practices. It is therefore a core business practice for Islamic banks to adhere to the *Shari'ah* principles. While this might be considered as a distinguishing institutional feature in Islamic banks as compared to conventional banks, in the case of Saudi Arabia this may not be an essential difference, as Islamic windows do have also their *Shari'ah* boards due to the nature of the operations of the Islamic windows. Thus, this study could not find *Shari'ah* board as an independent variable being statistically significant. However, due to the cultural and religious norms dominating everyday practice of life, all the institutions are expected to identify their strategic positioning in line with fundamental aspects of Islamic law and ethical norms, which however may remain only in form rather than substance.

To summarise, this research has located different perspectives in relation to the religion factor between Islamic and conventional banks, which are as follows:

(i) The two types of banks had no differences in how they approached their strategic decisions; both of them had similar strategic activities. Both types relied on consulting firms to implement their strategies. These consulting firms are Western firms with high reputations in strategy and financial management consultancy.

(ii) Islamic bank managers claim that there is an especially complex form of social activity within their banks, and thus they hold a source of scarce resources that sustain a competitive advantage that conventional banks cannot hold or imitate.

(iii) Islamic banks have more involvement from *Shari'ah* board members in for example the control department, while in conventional banks the involvement is limited to the approval of the products and services that are not prohibited by Islamic law.

(iv) Islamic banks operate within the practices of the religious ethics and social responsibility, while non-Islamic banks derive their operation principles and practices from rules of market conditions and completion. It should also be noted, as indicated in the relevant literature that in the recent years a converge has been observed between Islamic and conventional banks' operations in terms of Islamic banks adapting market conditions and operating within market completion at the expenses of its value system. In addition, in recent years, conventional banks have increased their social responsibility measures.

(v) Islamic banks' business activities derived from the Islamic faith and rules, while non-Islamic banks derived their business practices from the rules of market competition. The above qualification applies for this particular finding as well; as through mutual convergence Islamic banks have adapted market competition as a layer on their operation, while conventional banks developed new strategies to be more socially acceptable.

(vi) Islamic banks have *Shari'ah* board members involved in the processes of implementation, and their roles involve reviewing, designing, structuring, and communicating in collaborative action with sources inside the bank and outside to the consulting firms. However, in the conventional banks, the *Shari'ah* members perform independently in an *Shari'ah* section, which state their Islamic views and Islamic rules, which are then approved by the board of directors.

(vii) In the Islamic banks, top management decisions in relation to all products and services provided by the bank have to be first reviewed by the control department, and then approved by *Shari'ah* board members.

(viii) As evidenced in this study, *Shari'ah* board members are more powerful in the Islamic banks in the sense of decision-making process, and in having stronger social contacts. In conventional banks, *Shari'ah* members have less power in the decision-making process. This reflects the existential reasons of Islamic banks and one of their distinguishing reasons.

(ix) It could be argued that the Islamic banks have a source of competitive advantage, with growth capabilities, from religion and its relation to the external environment and cultural perspectives.

(x) As the findings show Islamic banks showed a weaker market position than conventional banks in terms of assets and market share in the corporate sector; as financing in corporate sector requires sophisticated financial engineering which may run against the fundamental values of Islamic finance; and therefore, Islamic banks have concentrated on retail market.

(xi) In this study, the sampled Islamic banks demonstrated a stronger market position than conventional banks in the retail sector, due to quicker returns and less risk associated with the retail sector, as well as through developing stronger relations with external individuals.

(xii) The religious practices in Islamic banks are seen as scarce resources that could sustain a competitive advantage, for example by providing access to social and public authority, and gaining strong brand names. On the other hand, conventional banks deal with the religion factor in the form of developing *Shari'ah* products only as sources of power and legitimation in the banking industry; thus, religion is not considered as a general business practice, but rather tied to its uses in the market.

(xiii) The sampled conventional bank with the centralisation strategy had strong external links with its macro environment; therefore, this strategy was slow in implementing, due to interferences from mainly public sector interest groups.

(xiv) The existence of the Islamic audit department in Islamic banks appeared powerful in relation to the banks' leadership, in ensuring adherence to Islamic business practices; the

close relation also reflects strategic awareness from the top management, knowing this factor to be important at every level.

7.3. THEORETICAL IMPLICATIONS

In reflecting on the chosen theoretical model in this study, namely Okumus (2003) model, this study is the first work that has examined Okumus's framework quantitatively by using case study technique in a comparative manner by using variety of statistical techniques such as regression and correlation analysis to confirm the underlined structure of the framework.

As opposed to the available literature on Okumus model, this research has methodologically managed to link the determining factors of the strategy implementation in more dynamic method by reflecting on the fit among all variables. Through an extensive reading of the strategy implementation subject, re-grouping of the factors have been identified which could assist in developing a new way of thinking and approach on the model and its articulation.

It is also believed that each strategic case has its own distinguishing features when implemented; and therefore all the variables of the initial model, in this case Okumus model, may not be applicable in its entirety to all the cases. For example, this study has found new variables that could effectively influence the strategy process and its outcomes. In this study, project factors including time, value, and priority of the strategic project can be considered along with such factors. The interactive process between project factors and other factors such as commitments, feedback, and control has produced different results, which are not initially considered by Okumus (2003) model. A single point of contact is found to be a new significant variable in the case of the Islamic banks as it facilitated the communication lines between different departments including the interaction with consulting firms.

In continuing to reflect on the model, it should be noted that in a country and culture context like Saudi Arabia, the interest group factor took a different view from what other studies found included Okumus (2003) study.

Moreover, in comparison to Okumus (2003) model which is similar or a revised work previously by Pettigrew(1995), through a modification process, this study in distinguishes method introduced 'religion' as an important factor by reflecting on the realities of everyday life in the country, as religion is the most determining factor in the context of Saudi Arabia. In addition to the everyday impact of religion, the religious practices are articulated in the

operation of Shari'ah boards in Islamic banks, which aims at ensuring religious or Shari'ah compliancy of the operations of the bank. Thus, religion as a determining factor is the contribution of this study as compared to Okumus' (2003) as well as the other models expressed and developed in the literature. Thus, this study suggests that the existing models may need to be modified according to the realities of each social context, as this study has done with Okumus' model.

7.4 LIMITATIONS OF THE STUDY

The researcher made great efforts toward meeting the research aim and objectives, and therefore answering the research questions, and is confident that they have been both satisfied and met. Nevertheless, akin to any other study, this study has a number of unavoidable limitations that presented themselves while conducting the research.

First, the selection of the sample was based on predetermined criteria. On the one hand, the sampled decisions had to be strategic in nature, therefore they had to be able to shape the future of the organisation and its behaviour, involve long-term objectives, and also have contributed to the tangible and intangible performances of the banks. The researcher also had to ensure that each bank had a recent and relevant strategy implemented, as the more recent the time since the strategy was implemented, the fresher and more valuable the information would be. On the other hand, those who participated in the interviews had to be top-level management with wide experience in strategy implementation, in order to provide solid case studies that could be used in the data, as well as to help preparations for the questionnaire surveys. Those who participated in the questionnaires should have been in the middle management level, as well as having either implemented the strategy or contributed toward achieving its goals. As explained, the sample selection is based on purposive sampling in the sense of targeting identified banks and their managers.

Secondly, the limited timescale and the complexity of obtaining access to the whole group of people who performed roles in decision-making and in implementing the strategies made it difficult to enlarge the sample, as one could always argue the usefulness of including other cities in the Kingdom or in the Gulf area. However, due to logistic and time issues, this could not be possible.

Some difficulties may have been because of the sensitivity of the research topic, as investigation into the primary data is not appreciated in Arab countries amongst the

interviewees, as people consider this kind of research as a formal investigation; one manager refused his interview to be recorded, even after the time the researcher spent to convince him of its confidentiality.

7.5 IMPLICATIONS FOR FURTHER RESEARCH

The findings in this study provide evidence regarding approaches to strategy implementation for Saudi banks in terms of their uses of foreign consulting firms to implement their strategies, researching a number of factors influencing the strategy implementation process and its outcomes, and the functional role of religious aspects in the form of the *Shari'ah* committee in the strategic process. There were several aspects that this research could not cover which nevertheless seem to be important topics of discussion for future research in relation to strategy implementation issues.

One possible area for future research is in testing additional variables that influence the implementation process and its outcomes; for example, organisational cultures and leadership styles provided little evidence in this investigation. It could also be useful, although difficult, for future research to measure a firm's financial performance after each strategy, meaning the possible effects of the strategy implemented on financial performance and other outcomes.

Making any generalisations based on a sample of only four banks is difficult; this thesis' sample size is limited to two Islamic and two conventional banks, and four case studies. The validity of the statistical results is only possible with the actual associations within the data set. This means that in consequence, as sub-factors in other areas also demonstrated significant levels, some items could be listed under another organisational group. This could result in, as in the factor analysis, providing different grouping of sub-factors under the main factor, meaning the regression analysis might be regrouped according to the new components of the factor analysis for the sake of finding out any significant differences between the two sets. It should be noted also that the questionnaire scale used in this study has been built upon the framework chosen before it had ever been tested quantitatively. Therefore, the results of the factor analysis in the questionnaire proved complex to interpret.

Thus, the findings of this research should be treated exclusively as an indication of a specific situation. A larger sample size including other economic branches in the country may provide more definitive and wide-ranging results. Another avenue that might be considered in future research, regarding whether the same patterns rule strategy implementation in Islamic and

conventional banks, could refer to particular elements in each bank's type, allowing specific comparisons between the two types of banks. A further interesting topic would be the entrance of sociological and psychological interpretations of the phenomenon of interest groups and religious identifications in the banks. Lastly, it is suggested that further studies could critically investigate the political strategies of the interest groups in decision-making processes in Saudi banks.

The findings of this study ultimately contribute to the literature on strategic implementation management by providing a critical and empirical analysis of a limited sample of Islamic and conventional banks in Saudi Arabia

7.6 EPILOGUE

Having reaching the end of this study, it can be concluded that this research has fulfilled its aims and objectives as demonstrated by the foundational and empirical chapters.

The findings demonstrate that both types of banks used foreign consulting firms to implement their strategies, these firms providing knowledge and skills needed for practical strategy implementation. Therefore, in this sense, there were no differences found in how Saudi banks approached their strategy implementation. It further appeared to be that learning and planning stages are important when the banks approach their strategies. There was not, however, strong evidence that consulting firms significantly influence the outcomes of the strategy; rather they facilitate the implementation process, with their help starting with the decision making process, all the way to implementation of the strategy and providing support and feedback to ensure successful implementation.

This research also fulfilled its second objective by finding out and analysing the factors influencing the strategy implementation process and its outcomes. Centrally, differences in religion factor are considered between Islamic and non-Islamic banks. The situation seems to be more complicated considering the entire national culture than four banks, as there is no agreed Islamic framework to govern policies and management structures. Islamic banks view religious values as at the heart of their business practices, while the conventional banks view them as sources of competitive advantage to compete in this particular market. It is true that more research and empirical tests are needed to investigate these issues, which could lead to supporting or improving the existing results.

The results of this thesis did not provide perfect answers for these particular issues and questions; rather they sought to understand what, why, and how this phenomenon happened, based on the available knowledge and the evidence that was gathered from the sample of Islamic and conventional banks in Saudi Arabia in the form of primary data. Therefore, this study should be treated solely as an indication of specific situations, while it should be acknowledged that it has contributed to existing body of knowledge in the field of strategic management implementation by extending and providing new evidence from Saudi Arabian banks in a comparative manner.

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Appendix 1

Semi-Structured Interview Questions

Introduction

Could you please tell more about your background, your current role in the bank?

How many years you are working with the bank?

Development phase

Please talk us through a strategic decision, as a case, which has been implemented in your bank in recent times with your involvement.

Please give details of how the decision was reached including the sequence of events. Who have been the parties involved on this decision.

What was the decision meant to achieve?

Implementation phase

Please give details of how the decision was approached and implemented- sequence of events, the staff involved in the implementation phase? Their influence on the project

Has the implementation of this particular strategic decision conducted by your team in the bank or have you had to outsource it? How and what is the reason?

To what extent do you think that Islamic work ethics helps to run the project in an efficient manner with the participation of all managers and workers, considering that Islamic work ethics has consequences for workers and managers?

To what extent do you think that Islamic principles and practises influence both business plan and strategy implementation?

What sorts of issues and problems have emerged so far?

Were there any strategy implementations problems/issues occur during the implementation process of this decision? Discuss them in more details.

What are the factors that have influenced the implementation process and impacted on the strategy outcomes? Discuss each factor in more details.

Outcomes

Can you tell us about the tangible and intangible results of the decision/project?

What has been achieved so far through implementing this project?

How did you measure/judge the outcomes of the strategic decision in relation to the initial expectations and planned outcomes?

In comparison to your identified pre-implementation achievements, would you consider that the project has realized the expected achievements?

What is the major contribution of the implementation of this project to your bank?

Appendix 2

Questionnaire

Dear Participant,

This survey is a part of a Ph.D. research on the implementation of strategic decision in the banking industry in Saudi Arabia, which is conducted at the Durham Business School of Durham University.

We would very much appreciate your help in completing the questionnaire, which will take just 15 minutes or so of your time. We are interested in your view about the strategic decision and the factors influencing the implementation process and outcomes based on your experience of involving in such a process in your bank.

Please note that there is no right or wrong answer – we are interested in your opinion. Please answer all the questions, as indicated on the questionnaire.

Thank you so much for your valuable time, as your participation is essential for the success of this research project.

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Section One: Background Information

1- How many years you have been working in this bank?

Years

2- What is your position in your bank?

☐ Middle Management Level

☐ Supervisory Level

Team Leader ☐

Section Two: General Information regarding strategy implementation

Please respond to the following questions by considering your experience with the strategic case you are involved with.

1- Did you involved with this strategy?

☐ Yes, if yes **Go** to the next questions please

☐ No, if no please **Do not** continue this questionnaire and thank you for your time.

2- How long have you been involved with this particular strategy?

☐ Less than one year

☐ 1 – 3 years

☐ 3 – 5 years

☐ 5 – 10 years

☐ Over 10 years

3- In what capacity have you involved with this particular strategy?

☐ Manager ☐ Implementer ☐ Team Leader

Section Three: potential factors influencing strategy implementation

Many studies in the field of strategy implementation found causes or factors influencing the implementation of strategic decision, so firms are able to implement a successful strategy. The statements below have listed some of these factors. Based on your own experience in this particular implemented strategy, please circle the number to the right of each statement that most closely describes your opinion. Use the five-point scale as shown. (1) **Strongly agree**, (2) **Agree**, (3) **Neutral**, (4) **Disagree**, (5) **Strongly disagree**.

(A) Resource allocation

1. All the necessary resources in any form were available when implementing the decision. 1 2 3 4 5

2. What kinds of resources were needed to implement the decision. Please rate the availability and importance of each from 1 to 5.

- () Financial
- () Technology
- () Human resources
- () Time
- () Administrative
- () other please specify.....

(B) People

1- Training, instruction, and Job description given to lower level employees were adequate and understood. 1 2 3 4 5

(C) Communication

1. Key implementation tasks, activities and Overall goals were sufficiently defined and understood 1 2 3 4 5

| | | | | | |
|--|---|---|---|---|---|
| 2. Problems that required top management involvement were communicated early enough. | 1 | 2 | 3 | 4 | 5 |
|--|---|---|---|---|---|

| | | | | | |
|------------------------------------|---|---|---|---|---|
| 3. Criteria for success were clear | 1 | 2 | 3 | 4 | 5 |
|------------------------------------|---|---|---|---|---|

(D) Involvement

| | | | | | |
|---|---|---|---|---|---|
| 1. Top management and your interest group work together to decide exactly how to implement this strategic decision. | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|

| | | | | | |
|---|---|---|---|---|---|
| 2. Involvement in the planning process of the strategic decision affected the implementation process. | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|

| | | | | | |
|---|---|---|---|---|---|
| 3- You have personally been involved with strategic implementation in your job. | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|

(E) Commitment and motivation

| | | | | | |
|--|---|---|---|---|---|
| 1. The strategic decision taken was the right one and in the best interest of the company. | 1 | 2 | 3 | 4 | 5 |
|--|---|---|---|---|---|

| | | | | | |
|---|---|---|---|---|---|
| 2. The consequence of the strategic decision were believed and committed. | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|

| | | | | | |
|--|---|---|---|---|---|
| 3. Your interest group seems favourable toward implementing of the decision. | 1 | 2 | 3 | 4 | 5 |
|--|---|---|---|---|---|

(F) Control and Feedback

| | | | | | |
|--|---|---|---|---|---|
| 1. Performance for every aspect of the implementation process was controlled | 1 | 2 | 3 | 4 | 5 |
|--|---|---|---|---|---|

| | | | | | |
|---|---|---|---|---|---|
| 2. Performance for every aspect of the implementation process was monitored | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|

(G)Interest group

| | | | | | |
|--|---|---|---|---|---|
| 1. Each interest group had an impact on the implementing the decision. | 1 | 2 | 3 | 4 | 5 |
|--|---|---|---|---|---|

| | | | | | |
|--|---|---|---|---|---|
| 2. Strategic decision affected by the use of power and influence among group members | 1 | 2 | 3 | 4 | 5 |
|--|---|---|---|---|---|

| | | | | | |
|--|---|---|---|---|---|
| 3. Interest groups did not have any conflict but focused on the effective implementation | 1 | 2 | 3 | 4 | 5 |
|--|---|---|---|---|---|

(H) External company

| | | | | | |
|---|---|---|---|---|---|
| 1. The involvement of an external company necessitated that such specialization did not exist in the bank | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|

| | | | | | |
|---|---|---|---|---|---|
| 2. The presence of external company meant an efficient implementation of the decision | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|

- | | | | | | |
|--|---|---|---|---|---|
| 3. The relationship between the internal group and the external company was positive towards the completion of tasks | 1 | 2 | 3 | 4 | 5 |
|--|---|---|---|---|---|

(I) Organizational structure

- | | | | | | |
|---|---|---|---|---|---|
| 1. Organizational structure eased implementation (by appropriately allocated authority, for example by setting up a project team) | 1 | 2 | 3 | 4 | 5 |
| 2. Agreement was there between all the interest groups about the way the decision was made. | 1 | 2 | 3 | 4 | 5 |
| 3. Agreement was there between all the interest groups about the way the decision was implemented. | 1 | 2 | 3 | 4 | 5 |

Has the organizational structure considered a single point of contact?

Yes No

| | | | | | |
|---|---|---|---|---|---|
| If yes, the formation of a 'single point of contact' resulted in an efficient implementation of the project | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|

(J) Organisational Culture

- | | | | | | |
|--|---|---|---|---|---|
| 1. Strong feelings of "ownership" of a strategy or execution plans among key employees. | 1 | 2 | 3 | 4 | 5 |
| 2 Organization's rules and procedures make the job easy. | 1 | 2 | 3 | 4 | 5 |
| 3. When implementing strategy top management behaves in a professional and efficient manner in terms of work relations but also communication about the project. | 1 | 2 | 3 | 4 | 5 |
| 4. The strong hierarchical relationship between various levels in management prevents efficient running of the project | 1 | 2 | 3 | 4 | 5 |

(K) Religion

- | | | | | | |
|--|---|---|---|---|---|
| 6. The Islamic environment helps to establish deadlines or keep the deadlines | 1 | 2 | 3 | 4 | 5 |
| 7. Islamic work ethics helps to run the project in an efficient manner with the participation of all managers and workers | 1 | 2 | 3 | 4 | 5 |
| 8. Islamic belief in hereafter and the temporary nature of this world helps to create a sense of belonging to the objectives of the company and the project. | 1 | 2 | 3 | 4 | 5 |

(L) Top Management support

Senior management supports the project (e.g. response to additional resources needed share responsibility with team project). 1 2 3 4 5

(M)Environmental uncertainty

1. Uncontrollable factors in the external environment had an adverse impact on implementation. 1 2 3 4 5

2. The presence of the impediments preventing the success of implementation 1 2 3 4 5

3. What other environmental factors might affect the success of the implementation process

☐ Business cycle of the country

☐ Regulations and legal issues

☐ Financial crises

☐ Other pleases state.....

(N) Project factors

Would you consider this particular project as priority for your bank?

☐ Yes

☐ No

If yes, will this project's goals are in line with the general goal of the bank?

☐ Yes

☐ No

In the implemented strategy that you are involved, Please evaluate the extent to which the following statements which influenced the implementation of the strategic decision. Use the same scale as before.

1.The implementation of this decision was put ahead over other decisions or commitments 1 2 3 4 5

2. Other decisions has affected the implementation process of this decision 1 2 3 4 5

3. There was a detailed plan (including time schedules) for the completing of the project. 1 2 3 4 5

4- This project has been completed on the expected time. 1 2 3 4 5

(4) How long has it taken to implement this project?

- ☐ Less than one year
- ☐ 1 – 3 years
- ☐ 3 – 5 years
- ☐ 5 – 10 years
- ☐ Over 10 years

(5) What is (was) the financial value/share of this particular project in relation the total asset base of the bank? Please state:

- ☐ 1% - 5%
- ☐ 5%-10%
- ☐ 10%-15%
- ☐ 15%-20%
- ☐ More than 20% of the total value

(6) In terms of the resources allocated for the project, would you tell us the size of the project?

- ☐ Mega project
- ☐ Large project
- ☐ Medium size project
- ☐ Small project

(7) Would you consider this project as

- ☐ Project with long term completion
- ☐ Project with short term completion

(8) Technical Tasks

Specific project tasks (e.g. project engineers, technical people, equipment, training Programmes)
are well managed and maintained

1 2 3 4 5

(O) Outcomes

Whether this strategy has experienced success or not. Please evaluate the overall success of the strategy implementation of the five-point scale where (1) very successful , (2) successful, (3) Neutral, (4) low success, (5) No success

- | | | | | | |
|---|---|---|---|---|---|
| 1. The project was completed in the specified period. | 1 | 2 | 3 | 4 | 5 |
| 2. The project was carried out within the resources initially budgeted. | 1 | 2 | 3 | 4 | 5 |
| 3. Achieved the initial goals of the decision. | 1 | 2 | 3 | 4 | 5 |
| 4. Achieved the financial results and other targets expected. | 1 | 2 | 3 | 4 | 5 |
| 5. The project is considered as satisfied and success. | 1 | 2 | 3 | 4 | 5 |
| 6. Were the results of the decision accepted? | 1 | 2 | 3 | 4 | 5 |

7. Has the project achieved the expected results?

☐ Yes

☐ No

8. If yeas, how much of the expected results have been achieved?

☐ 75% - 100%

☐ 50% - 75%

☐ 25% - 50%

☐ < 25%

Any other comments

Thank you for your time and interest.

Appendix 3

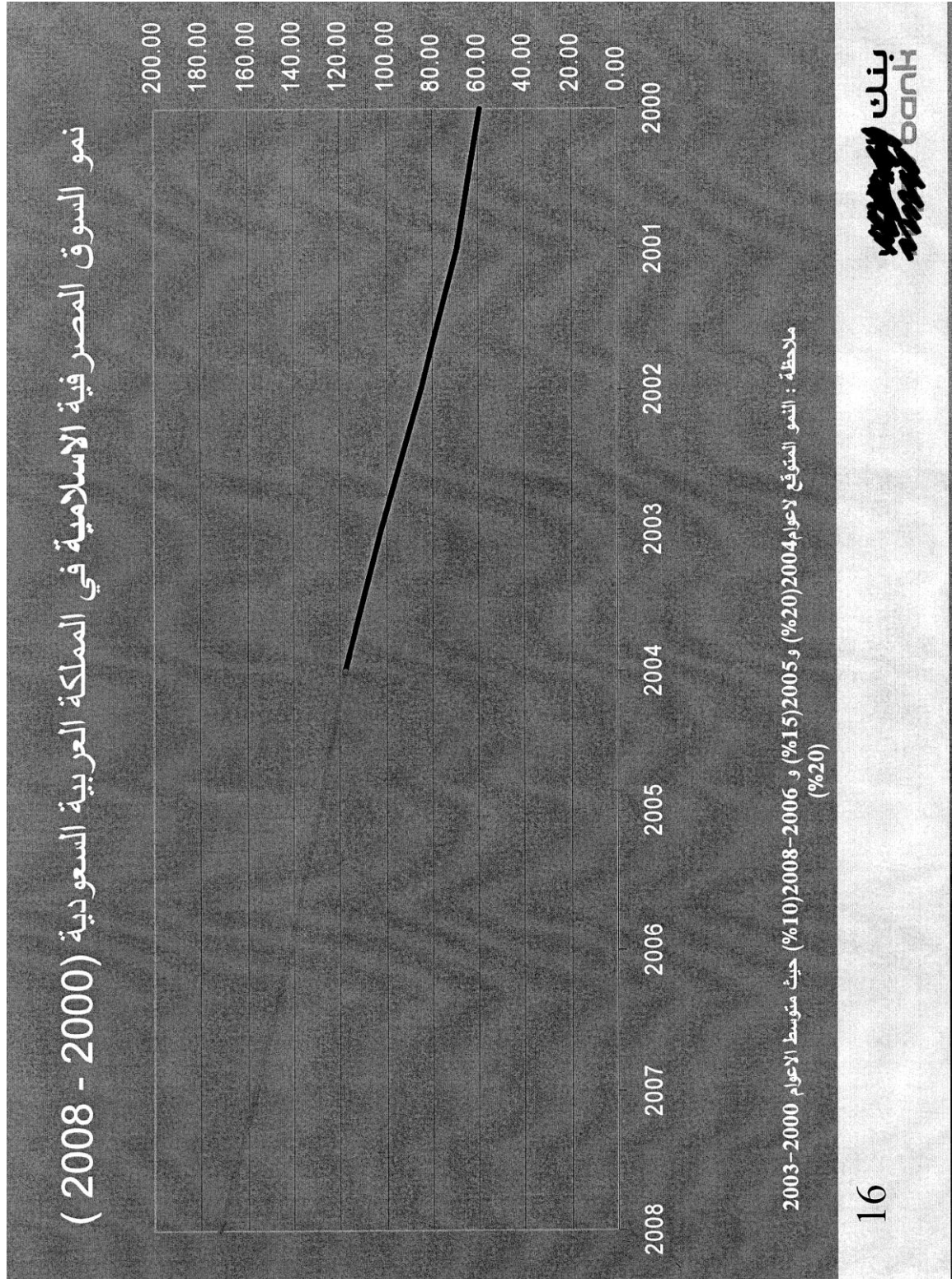
Banks and Strategic Cases*

| Bank | Strategic case | Objective |
|------|--|--|
| IB1 | Expansion: the bank had to extend its operations to Malaysia as part of its growth strategy. | To be a progressive Islamic bank through the domination of consumers' loans. To establish a good brand internationally and to transfer the knowledge and experience from KSA to Malaysia. |
| IB2 | Competition on the corporate market of the Saudi banks after success in retailing. | To increase the market share and establish a brand name at the corporate level. |
| CB1 | Centralization: enhancing the quality and performance of the loans by making the loan process more compact and controlled. | To increase the market share and enhance the service that they provide to their customers by reducing the process time from ninety days to fourteen days. To improve the quality of the loans. |

Note: ()The names of the banks are confidential, but the strategic cases are real.*

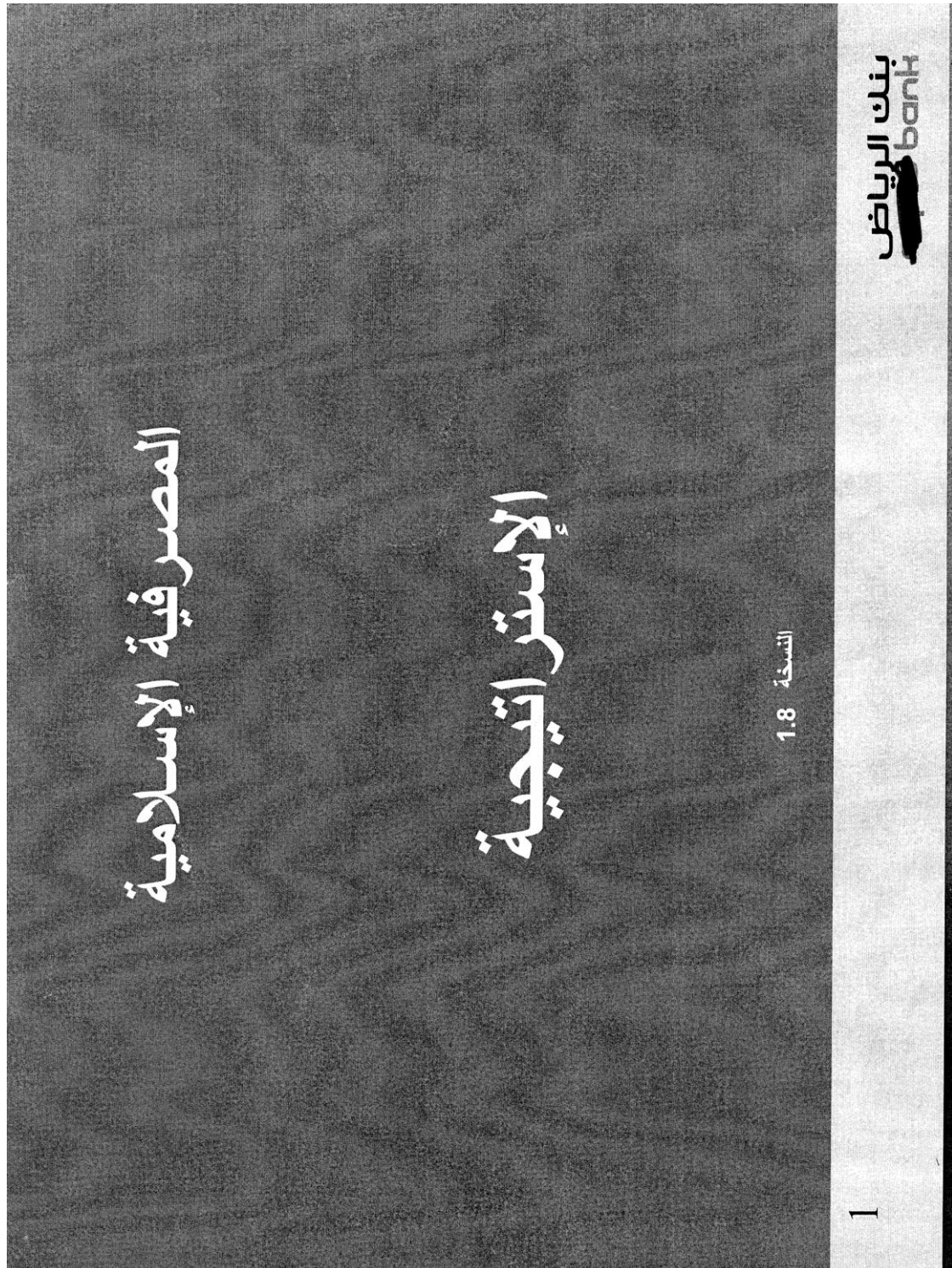
Appendix 4

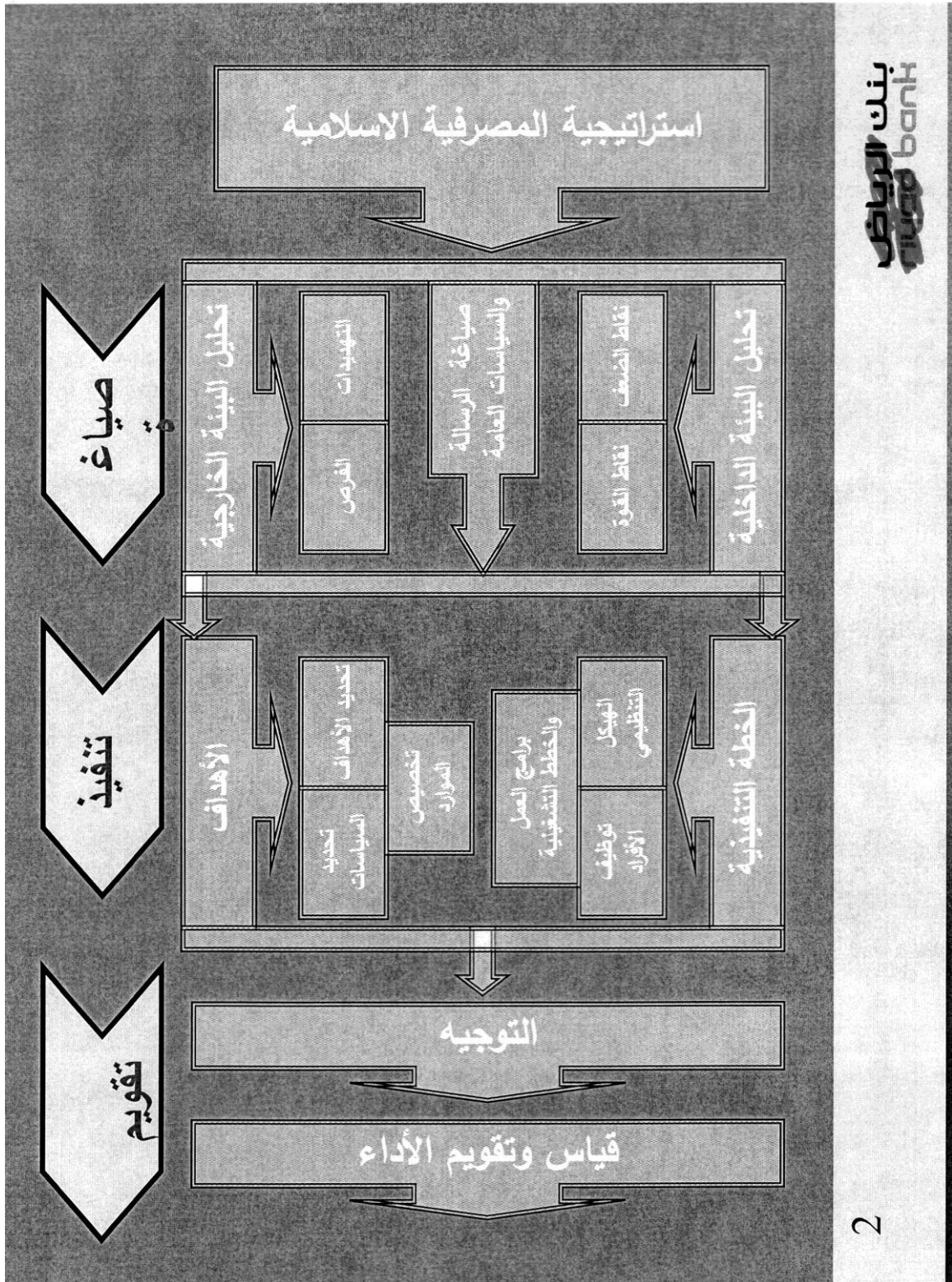
Islamic banking growth in Saudi Arabia (2000-2008)



Appendix 5

Islamic bank strategy





تحليل البيئة الداخلية

نقاط الضعف

1. ضعف الكوادر الحالية في تسويق المنتجات الإسلامية
2. صعوبة تطوير تقنيات وأنظمة خاصة بالمنتجات الإسلامية
3. ضعف و صعوبة تنسيق الاتصالات.
4. عدم وضوح بعض السياسات و الإجراءات والأنظمة
5. قلة المتابعة وعدم التحقق من الالتزام.
6. قلة تخصيص الموارد.
7. عدم وضوح الأولويات وتضارب المصالح.

نقاط القوة

1. الانتشار الجغرافي
2. بنك سعودي (100%) سمعة و مكانة
3. العلاقة القديمة المتجددة مع العملاء
4. المتانة المالية – الأصول وحقوق الملكية
5. تنوع المنتجات والريادة في التمويل المشترك
6. العناية الخاصة بالشرائح الصغيرة والمتوسطة
7. المصالح المشتركة مع الجهات الحكومية والمؤسسات
8. تبني إستراتيجية البنك الوطني الرائد
9. التميز في الأداء (جوائز صناديق الاستثمار، السعودية ..)



تحليل البيئة الخارجية

الفرص

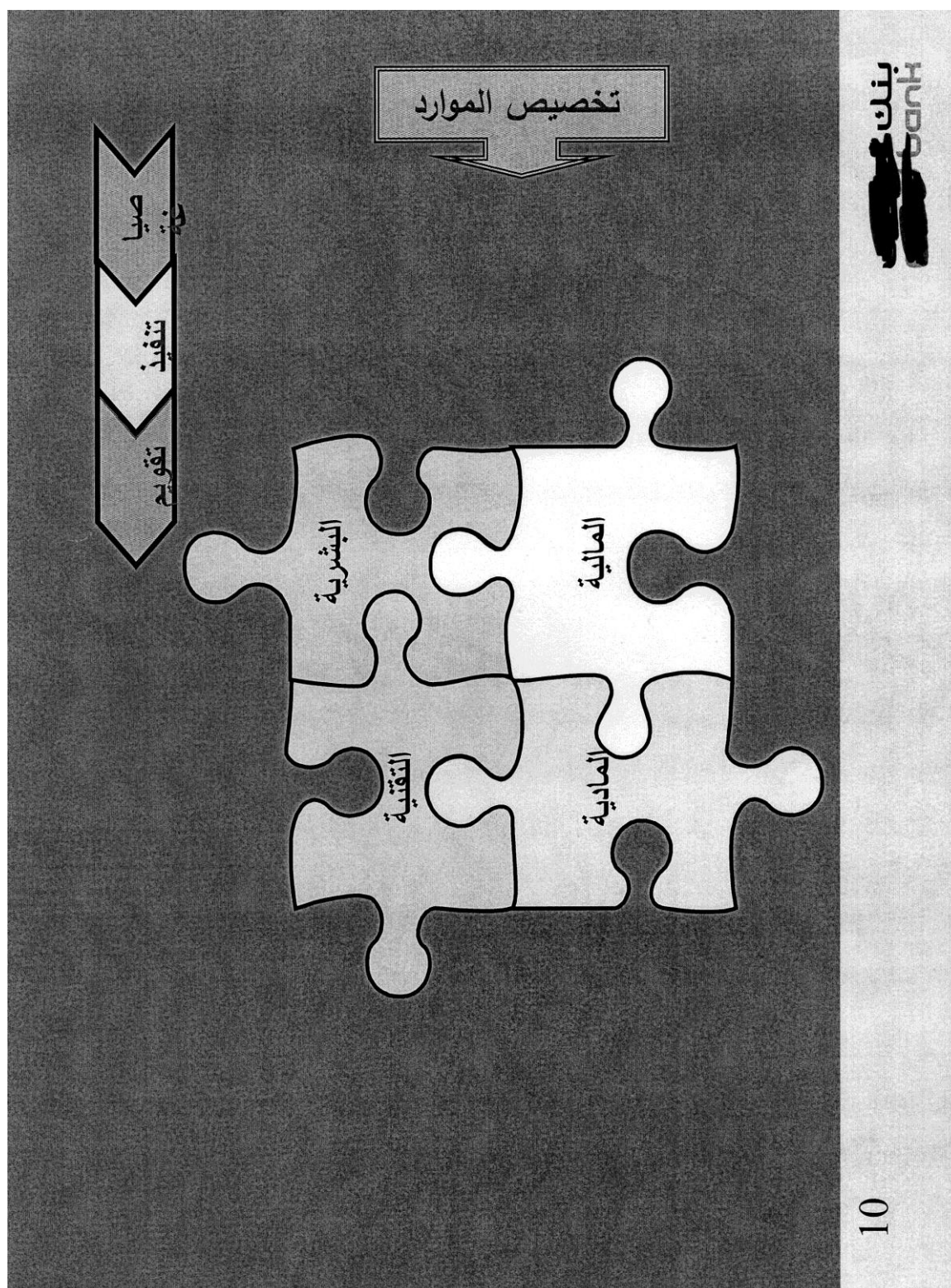
1. النمو المتزايد في الطلب باستمرار
2. نمو الحصة السوقية وبالتالي زيادة البيع والعائد
3. تنوع المنتجات وبالتالي تنوع مصادر الدخل والعائد الأفضل وتقليل مخاطر المحفظة الاستثمارية.
4. زيادة فرص البيع المقطع

التحديات والمخاطر

1. البيئة الرقابية النظامية
2. مخاطر الأعمال الخاصة بالعمل المصرفي.
3. منافسة البنوك والشركات المحلية والإقليمية
4. الرأي العام والرأي المتخصص

Appendix 6

Considered fit factors when implementing the strategy





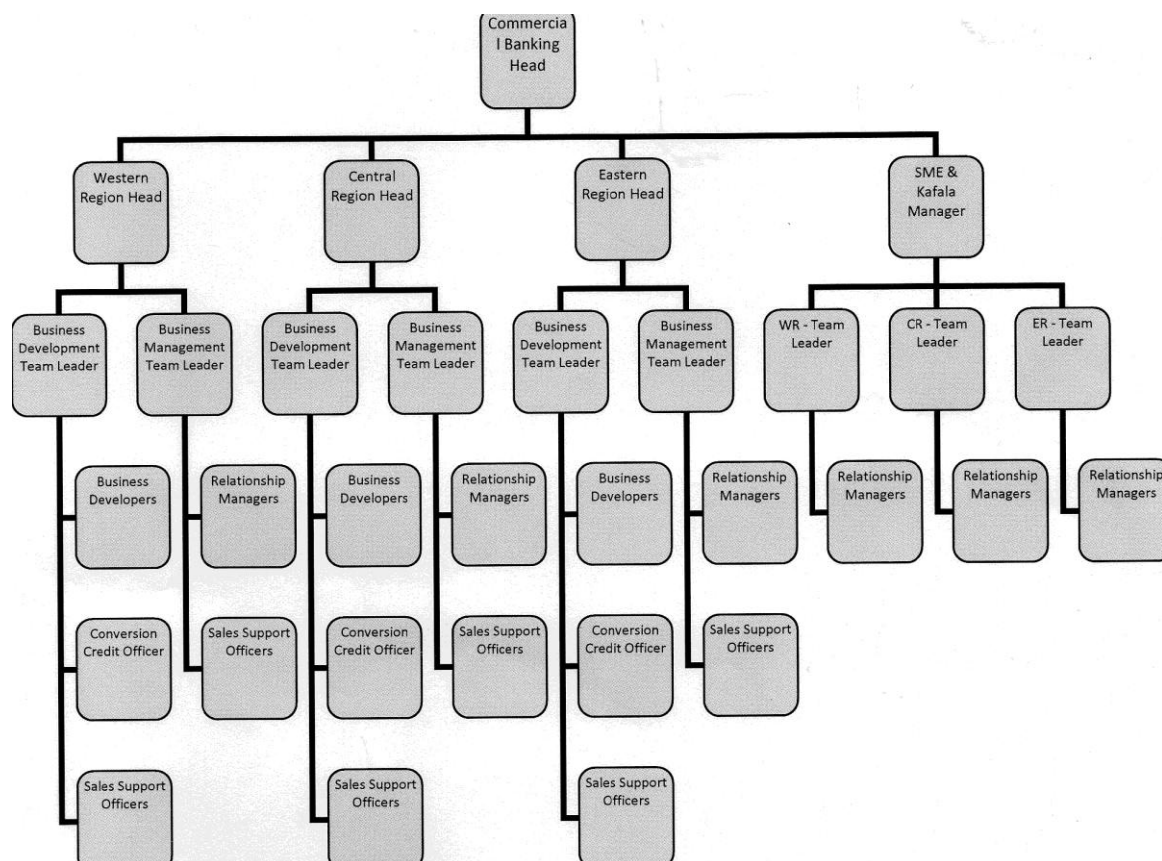
الخطط التشغيلية

- الاعتماد الشرعي.
- التسويق والاتصالات.
- التدريب والتأهيل والتوعية.
- المراجعة الداخلية والالتزام
- تخصيص وتطوير الفروع المتخصصة.

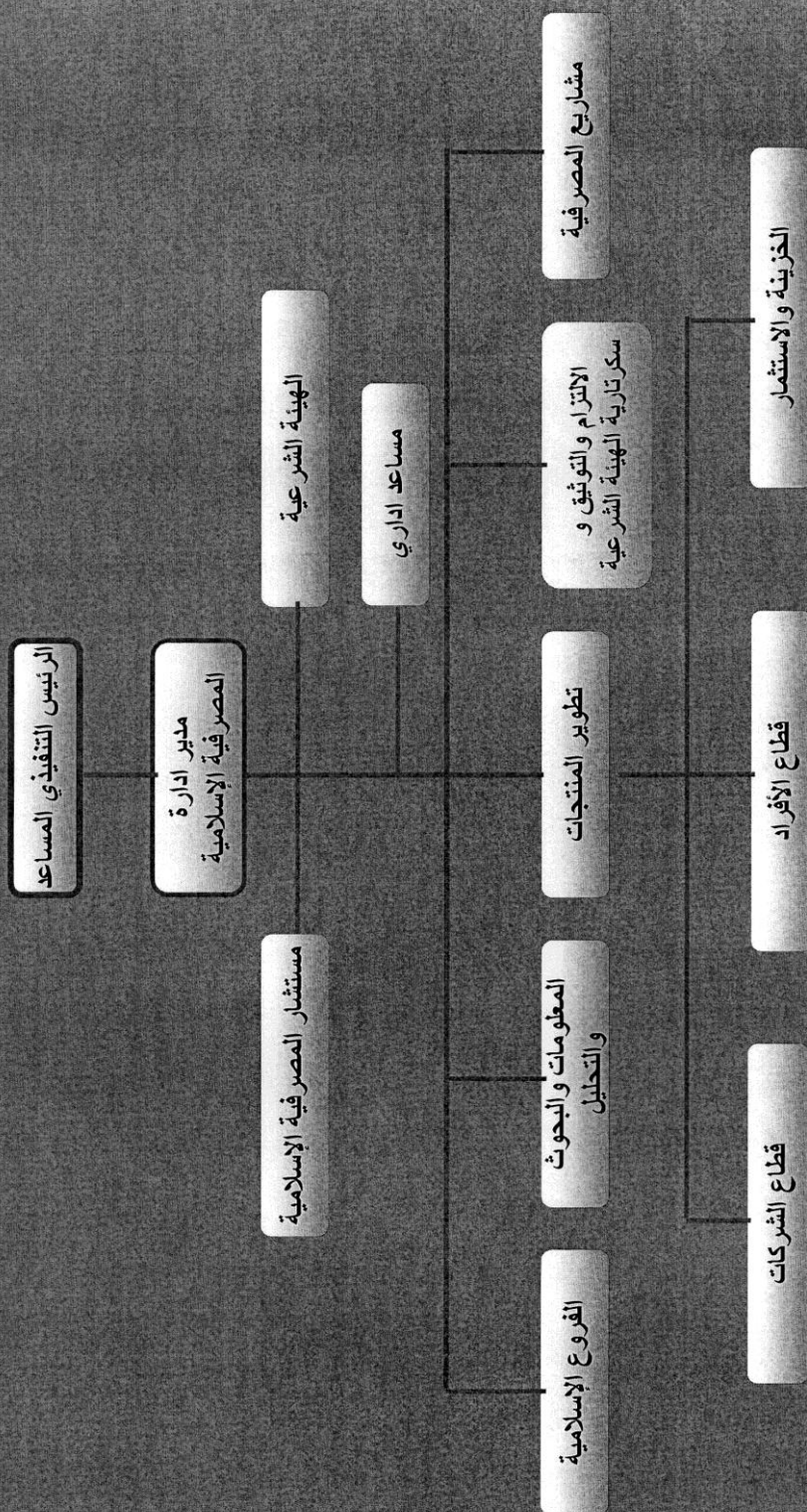
- الهيكلة المالية.
- تأسيس مركز معلومات.
- تطوير المنتجات.
- التحقق من الجودة.
- ادارة المشاريع.
- النظرة المستقبلية للمصرفية الاسلامية.

Appendix 7

Islamic bank strategic structure



الهيكل التنظيمي للإدارة



Appendix 8

Approval for gaining access to the Saudi's banks

| | | |
|--|--|---|
| ROYAL EMBASSY OF SAUDI ARABIA CULTURAL BUREAU LONDON |  | سفارة المملكة العربية السعودية الملحقية الثقافية لندن |
| رقم الهوية الوطنية : 1001499829 رقم الملف : S2492 | | |
| السادة بنك الراجحي المحترمين | | |
| <p>تفيد الملحقية الثقافية السعودية في بريطانيا بأن الطالب / ابراهيم غازي محفوظ الكندي مُبتعث من قبل وزارة التعليم العالي لدراسة مرحلة الدكتوراه في الإدارة في جامعة درم في بريطانيا اعتباراً من 1430/08/25 هـ ولا زال على رأس بعثته التي ستنتهي بتاريخ 1433/11/14 هـ.</p> <p>وقد مُنحت هذه الإفادة بناءً على طلبه لتقديمها إليكم حيث سيقوم برحلة علمية الى المملكة لإكمال اجراءات بحثه لدرجة الدكتوراه (دراسة للعوامل المؤثرة في تطبيق القرارات الاستراتيجية على بنك الراجحي)، نأمل تسهيل إجراءات بحثه وتزويده بموافقكم.</p> <p>وتقبلوا أوفر التحيات والتقدير،،،</p> | | |
| الملحق الثقافي في بريطانيا أ. د. غازي بن عبد الواحد المكي |  | |
| 630 Chiswick High Road, London W4 5RY Tel: +44 (0) 20 3249 7000 Fax: +44 (0) 20 3249 7001 E-mail: sacbuk@uksacb.org | | |
| الرقم : | التاريخ : | الموافق : |
| الرفقات : | | |
| www.uksacb.org | | |

